

In my remaining time in the Senate, I will continue to encourage my colleagues in Washington to invest in STEM education. It is true we have our partisan problems in Washington these days, but I believe there is bipartisan consensus on the value of promoting STEM education.

Support for STEM education is essential for our economic growth and recovery. It is the future of our workforce. It is our children's and our grandchildren's future.

Thank you, Mr. President. I yield the floor and suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. ALEXANDER. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

#### CONCLUSION OF MORNING BUSINESS

The ACTING PRESIDENT pro tempore. Morning business is closed.

#### FAA AIR TRANSPORTATION MODERNIZATION AND SAFETY IMPROVEMENT ACT

The ACTING PRESIDENT pro tempore. Under the previous order, the Senate will resume consideration of the House message to accompany H.R. 1586, which the clerk will report.

The assistant legislative clerk read as follows:

House message on H.R. 1586, motion to concur in the House amendment to the Senate amendment to H.R. 1586 with an amendment, an act to modernize the air traffic control system, and so forth and for other purposes.

Pending:

Reid motion to concur in the amendment of the House to the amendment of the Senate to the bill, with Reid (for Murray) amendment No. 4567 (to the House amendment to the Senate amendment to the bill), in the nature of a substitute.

Reid amendment No. 4568 (to amendment No. 4567), to change the enactment date.

Reid motion to refer the message of the House on the bill to the Committee on Appropriations, with instructions, Reid amendment No. 4569 (the instructions on motion to refer), to provide for a study.

Reid amendment No. 4570 (to the instructions (amendment No. 4569), of the motion to refer), of a perfecting nature.

Reid amendment No. 4571 (to amendment No. 4570), of a perfecting nature.

The ACTING PRESIDENT pro tempore. The Senator from Tennessee.

Mr. ALEXANDER. Mr. President, would the Chair let me know when I have consumed 9 minutes.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. ALEXANDER. Thank you very much.

The Presiding Officer is a distinguished former Governor, and I am a

former Governor. I suggested during the health care debate that anyone who voted for the new health care law ought to be sentenced to go home and serve as Governor for 8 years under the new law and try to make it work. People thought I was kidding. I was serious. The vote we are about to have this afternoon is another symptom of the same problem.

Here is what the vote today, which is characterized as being about teachers and Medicaid, actually does. It is a \$10 billion bailout to help States pay teachers, but it ties the Governors' hands so a Governor can't change education funding levels if their State budgets are in trouble, which almost every State is.

Second, there is \$16 billion for States to pay for Medicaid—the Federal program that is a combination of Federal money and State money—but, again, this ties the Governors' hands so Governors can't adjust the State Medicaid programs in a way that will make it possible for them to afford to continue to run the program. In other words, if you are the Governor of Tennessee, because of receiving this money or the stimulus money earlier, your ability to change benefits is limited and, in some cases, taken away.

Third, what we are about to vote on this afternoon raises taxes by about \$10 billion to help pay for these proposals. This \$10 billion in permanent tax hikes is on American multinational companies. That sounds like: Well, let's stick it to the company. But these are companies which employ 22 million Americans, according to the National Association of Manufacturers. This makes it harder for those companies to continue to employ people in the United States and it gives them more incentive to send jobs overseas.

Then there is the additional offset to this bill of \$3 billion in military and veterans funding cuts and, as the Senator from Kentucky has pointed out, these are very broad cuts, and there is nothing to keep these cuts from being made from the operation and maintenance of the fighting men and women in Iraq and Afghanistan.

Then the fourth problem with this vote this afternoon is it adds to the debt nearly \$5 billion.

The fifth problem is we are already spending—41 cents out of every dollar we spend today is borrowed from someone, creating a serious deficit problem. There is sometimes back and forth about who caused the problem, but the solution to a boat with a hole in it is not to shoot another hole in the boat and have two holes or three holes, and that is what we would be doing with this bill.

We would be extending the so-called fiscal cliff in the States by tying the Governors' hands so they don't do what they normally would do in down times such as this, which is reduce spending so they can make their way through it. We are raising taxes on companies in a way that could send jobs overseas. We

are adding to the debt. Those are all the things we are being asked to vote on this afternoon.

One might say that is a partisan comment I am making in describing the situation. I don't think so. I think it is the comment of someone with a background as Governor of a State who has consistently struggled with Washington's irresistible impulse to impose on States rules from Washington that may not fit States.

For example, the education money—the \$10 billion—has five strings on it. No. 1, we have to keep spending on K-12 education at least as high as last year's money.

Again, that sounds good, but if you are a State that is reducing and has less revenue, you have to reduce costs or you will have fiscal cliff after fiscal cliff. The same with Medicaid—\$16 billion more for Medicaid but, again, with restrictions on what States can do to change benefits. So, as a result, Governors and legislatures that have less State revenues continue to increase their spending on Medicaid. But guess what. Not on other programs such as public colleges and universities.

I am absolutely convinced the health care law and the new costs being tacked onto States to pay for an expansion of Medicaid is going to irreparably damage our public colleges and universities. It is going to hurt their quality because the money that should be going to colleges and universities is going to go to help pay for Medicaid requirements imposed from Washington.

Who else is going to be hurt? The students. I am sure the students protesting at the University of California the over 32 percent tuition hikes have no idea the reason they are having the hikes is because Washington keeps imposing new costs on State Medicaid Programs, causing Governor Schwarzenegger and the California Legislature to take money that otherwise most likely would have gone to the University of California and spend it instead on Medicaid.

Let me give a bipartisan twist to what I just said. There was a Wall Street editorial, written by Richard Ravitch in January of this year. He is the Democratic Lieutenant Governor of New York State. This is the way he describes this scenario we are being asked to vote on this year:

The Federal stimulus has provided significant budget relief to the states—

Mr. President, that was the money that was passed in the beginning of 2009 to try to create new jobs, which apparently hasn't worked so well since unemployment is still very high. He says:

But this relief is temporary and makes it harder for states to cut expenditures.

Just as this vote this afternoon will do so.

In major areas, such as transportation, education, and health care, stimulus funds come with strings attached. These strings prevent states from substituting federal money for state funds, require states to spend minimum amounts of their own funds,

and prevent states from tightening eligibility standards for benefits.

The Lieutenant Governor of New York continues:

Because of these requirements, states, instead of cutting spending in transportation, education, and health care, have been forced to keep most of their expenditures at previous levels and use federal funds only as supplements. The net result is this: The federal stimulus has led states to increase overall spending in these core areas, which in effect has only raised the height of the cliff from which state spending will fall if stimulus funds evaporate.

If we do it again this afternoon—the same thing done with the stimulus fund—we will be extending this fiscal cliff for New York, Tennessee, and States all over the country and making it more difficult for them to make the cuts they need to make the innovations they need to make, to try the different things they need to do, so they can afford their education programs, so they can afford their Medicaid Program.

I ask unanimous consent to have printed in the RECORD Lieutenant Governor Richard Ravitch's column in the Wall Street Journal.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

[From the Wall Street Journal]

WASHINGTON AND THE FISCAL CRISIS OF THE STATES

(By Richard Ravitch)

As one whose interest in public service stems largely from the conviction that government can make a positive difference in people's lives, I have found the past year a paradox. From the financial crisis to health-care reform, the federal government has taken on challenges that urgently need to be addressed. Yet despite these actions—and sometimes because of them—the states, which provide most of the services that touch citizens' lives, are in their deepest crisis since the Great Depression. The state crisis has become acute enough to belong on the federal agenda.

New York State faces a budget deficit that could climb to \$8 billion or \$9 billion in fiscal year 2010–11 and the state could face another deficit in 2011–12 of about \$14 billion to \$15 billion. The causes of the larger deficits down the road include a drop off in federal stimulus funds, an increase in Medicaid costs, and the planned expiration of a state income tax surcharge, as well as the state's underlying structural deficit.

New York is in a tough spot, but few other states are immune from large and growing deficits. According to the Center on Budget and Policy Priorities, the states have faced and will face combined budget shortfalls estimated at \$350 billion in fiscal years 2010 and 2011. Past experience suggests that these deficits will continue even if a national economic recovery takes hold. Moreover, we do not know how robust the recovery will be or what shape it will take. We know only that it will not spare the states the necessity of making acutely painful fiscal choices. New York and other states face draconian cuts in public services, higher taxes, or, more likely, a combination of both.

The federal stimulus has provided significant budget relief to the states, but this relief is temporary and makes it harder for states to cut expenditures. In major areas such as transportation, education, and

health care, stimulus funds come with strings attached. These strings prevent states from substituting federal money for state funds, require states to spend minimum amounts of their own funds, and prevent states from tightening eligibility standards for benefits.

Because of these requirements, states, instead of cutting spending in transportation, education, and health care, have been forced to keep most of their expenditures at previous levels and use federal funds only as supplements. The net result is this: The federal stimulus has led states to increase overall spending in these core areas, which in effect has only raised the height of the cliff from which state spending will fall if stimulus funds evaporate.

Until recently, some people predicted that the stimulus funds would not evaporate—that instead the federal government would rescue the states once more with another stimulus bill. But the prospect of this kind of help looks doubtful as an increasing number of lawmakers in Washington worry about the federal deficit and seem intent on taking serious steps to rein it in.

If those steps include neglecting the fiscal situation facing the states, the country could be headed for fiscal problems that are larger than the ones we face now. We are in a time of extraordinary economic change and Washington is struggling with the sometimes-conflicting demands of the federal deficit and the unemployment rate. But the states' growing deficits present their own urgent national problem that the federal government must place in the balance.

Federal policy makers do not have the option of assuming that the state fiscal crisis is temporary or will cure itself without further involvement by Washington. This crisis reflects the growing long-term pressures on the states from the health-care needs of an aging population and the maintenance needs of an aging infrastructure. Moreover, the \$3 trillion municipal bond markets have begun to notice the states' deficits: Moody's recently downgraded the bond ratings of Arizona and Illinois because of the deficits those states face. The rating agency says it is waiting to see whether New York will reduce its budget gaps and has warned the state against trying to do so solely through one-time actions.

It seems almost inevitable now that the states' fiscal problems will have further effects on capital markets, possibly as soon as next spring and summer. If more cracks appear in the capital markets that handle municipal bonds, the U.S. Treasury and the Federal Reserve will be faced with an unattractive set of options: They can allow those markets to deteriorate or use federal tax dollars to shore them up and thereby increase the federal deficit.

It is safe to say that one way or another events will force federal policy makers to spend money in response to state deficits. Federal officials shouldn't wait for an emergency to begin to address two questions: Which services should the federal government provide and which should the states provide? And how should the costs of these services be split among federal, state, and local tax bases?

For example, Medicare, not Medicaid, is the primary payor of health-care costs for the elderly and disabled. About 17% of Medicare beneficiaries are low-income and, thus, also receive varying levels of state Medicaid benefits. These "dual eligible" beneficiaries account for some 40% of state Medicaid spending.

For these beneficiaries, the current system is a nightmare: They disproportionately suffer from chronic diseases but must navigate two separate bureaucracies and sets of rules

in order to receive care. For the states, this system is a costly burden. From the perspective of a rational health policy, the system is an anachronism. It developed when Medicare did not provide income-based aid and did not have income-based information about those it served. Medicare now provides such aid and has the information and capacity to provide these benefits more effectively, with more potential for cost containment, than the current system.

A federal takeover of services to dual eligibles would cost about \$70 billion per year. For many states, a share of this amount would be the difference between chronic fiscal crisis and a chance at structural budget balance. After the Troubled Asset Relief Program and health-care reform—with the cost of the latter estimated by the Congressional Budget Office at almost \$900 billion from now through 2019 and \$1.8 trillion in the 10 years from 2014 through 2023—the bill for such a takeover does not seem huge or disproportionate to the relief it would provide to state budgets.

Those of us responsible for the states' budgets have the unpleasant duty of imposing greater burdens on our citizens before we can reach legitimate balance between revenues and expenditures. It is not unreasonable for us to hope that federal policy makers will treat our state deficit problems with the same seriousness with which they are now preparing to address the national deficit.

Mr. ALEXANDER. Not long ago, the State of Tennessee was one of two winners in the race to the top in education funding. I was very proud of the State. This was not my doing. This was their doing—the teachers, the Governor, and the legislature. Both parties worked hard. I came to the Senate floor last week and praised President Obama and his Secretary of Education, Arne Duncan, for their courage and vision on their K–12 education agenda, pushing for the holy grail of education, which is finding ways to award outstanding teaching and tying it to students' effectiveness and charter schools and higher standards, even common standards, and the race to the top itself, in terms of encouraging excellence. These are not easy things to do.

President Obama is not the first Democrat, or even the first Democratic President, who has pushed these changes. But he is the first President of either party who may have a chance to actually get them done. It may just be easier for a Democratic President to do this than a Republican President. When he does these things, it is important for Republican Senators to give him credit for it. I genuinely do.

Mr. President, it does not help for us now to come along and say, OK, we are going to make it harder to be the Governor of Tennessee and Virginia and Michigan and California and all these States because we are going to give them money, with more strings attached, and say when they take the money and spend it, they have to keep the same level of spending they had before. Just as Governor Ravitch says, it stops States from doing what they already need to do.

Mr. President, I wish every State had done what Tennessee has done. We have a Democratic Governor, Phil Bredesen, who is completing his time.

This is what he said in his State address in 2009:

Please let me make it clear that no proposed version of the stimulus is any panacea or silver bullet; substantial cuts are still needed under any circumstances.

He meant in the State budget.

Furthermore, it is vital to remember that this stimulus money is one-time funds.

The Governor is saying we are going to have to cut the budget. In fact, our State has little debt. It has among the lowest taxes in the country. It has a solid pension fund that has survived this as well as anybody. But when we say to any Governor that here is some money, and here are some rules to keep you from doing what you need to do, I think we are doing no service there.

I wanted to say that before we have this vote today, and to say that there are four or five reasons I hope we don't go forward with it. The first reason, both in terms of education and Medicaid, is it ties the Governors' hands to keep them from doing what they should be doing. The next reason is there is \$10 billion in permanent taxes on multinational corporations which will make it more likely that American jobs would go overseas. Another reason is there is \$3 billion in spending cuts in defense that likely could come out of the operation and maintenance budget of soldiers fighting in Iraq and Afghanistan. The next reason is it adds to the debt \$5 billion at a time when we don't have the money any more than the States do. We are spending 41 cents out of every dollar, which is borrowed.

Mr. President, I am going to oppose this measure this afternoon. I will support efforts to rein in spending, to give States more freedom to do what they need to do, to try to create a more limited government, to try to create less debt, and to try to create an economy that can focus its attention for the foreseeable future on a progrowth environment that creates jobs in the private sector, which is the real challenge for our country today.

I yield the floor and suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. BEGICH. I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. KAUFMAN). Without objection, it is so ordered.

Mr. BEGICH. I ask unanimous consent to speak as in morning business.

The PRESIDING OFFICER. Without objection, it is so ordered.

#### HONORING ALASKA AIRMEN

Mr. BEGICH. Mr. President, I rise to honor four members of Alaska's military family who lost their lives in a tragic airplane accident in Anchorage last week.

MAJ Michael Freyholtz and MAJ Aaron Malone were pilots assigned to the Alaska Air National Guard's 249th Airlift Squadron.

CAPT Jeffrey Hill was a pilot assigned to Elmendorf Air Force Base's 517th Airlift Squadron.

And SMSgt Thomas Cicardo was a loadmaster with the Alaska Air National Guard's 249th Airlift Squadron.

Last Wednesday evening, these airmen were honing their skills in a C-17 aircraft when it went down in the woods not far from downtown Anchorage.

Every Alaskan has been touched by this loss. It is a terrible tragedy for our State, where we consider Alaska's military installations extensions of our communities.

Service members are part of our extended Alaskan family.

Today in a large Elmendorf airplane hangar, thousands of Alaskans are gathering to mourn the loss of these brave airmen.

Each of the airmen who perished on July 28th played a pivotal role in standing up C-17 operations and training in Alaska.

They contributed to our Nation's defense and to the State of Alaska.

Major Malone was a C-17 pilot on leave from Alaska Airlines, his place of employment, to help stand up the 249th Airlift Squadron in Alaska.

Alaska was Major Malone's home State. In 2008, he transferred to the Alaska National Guard.

As a highly regarded airman, he became a C-17 instructor pilot. He proudly served his country for more than 12 years in the Air National Guard.

During his time of service, Major Malone flew the F-16 in defense of our airspace after 9/11, deployed to the Korean Peninsula, and flew missions in support of Operation Iraqi Freedom and Operation Enduring Freedom.

MAJ Michael Freyholtz was a member of the Alaska Air National Guard since 2007, when he left active duty.

During his time of service, he flew more than 600 hours of combat service in support of Iraqi Freedom and Operation Enduring Freedom.

He was recognized for his distinction as a pilot; he was awarded the Air Medal for his service.

Originally from Minnesota, Major Freyholtz was the first non-Alaskan pilot to help stand up the 249th Airlift Squadron.

A C-17 pilot since obtaining his wings from the Air Force in 2000 and a superior airman, he most recently flew with the Air Force Thunderbirds.

According to his loved ones, CAPT Jeffrey Hill cherished being a part of Alaska's 3rd Wing, to which he was assigned in 2007.

With his humor and positive attitude, he was an inspiration to his fellow airmen in the 517th Airlift Squadron as the Operations Flight commander and instructor in the tactical airlift mission.

He encouraged his fellow airmen to stay fit. He was a mentor to his fellow comrades.

A fitness buff and an outdoorsman, Captain Hill took advantage of all

Alaska had to offer—hunting, fishing, camping and hiking.

With over 28 years in the Armed Forces, SMSgt Thomas Cicardo was handpicked to be part of the initial personnel to stand up the 249th Airlift Squadron.

He was a highly decorated combat veteran with more than 30 awards and decorations.

His hometown was Anchorage, and he contributed greatly to the State of Alaska with his service.

Sergeant Cicardo was a home-grown hero. During the 11 years he spent in search and rescue, he is credited with saving more than 66 lives in Alaska.

Helping to stand up the 249th Airlift Squadron, SMSgt Cicardo formulated training and evaluation functions in the squadron. Due to his efforts, the squadron received an outstanding rating during the last inspection.

Every Alaskan is deeply saddened by the loss of these airmen. They are sons, they are fathers, and they are brothers. Today, I very much wanted to be with the families of these brave Alaskans in person. I am honored to offer my tribute and condolences to them and Alaska's entire military community on the floor of the Senate.

I ask my colleagues to join me in a moment of silence in honor of the memories of Major Freyholtz, Major Malone, Captain Hill, and Senior Master Sergeant Cicardo.

Let us pay tribute to their selfless service and sacrifice to our Nation and to Alaska.

(Moment of silence.)

Their service to our country and service in Alaska as Arctic Warriors will always be remembered.

I yield the floor and suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. NELSON of Florida. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. NELSON of Florida. Mr. President, I ask unanimous consent to speak as in morning business.

The PRESIDING OFFICER. Without objection, it is so ordered.

#### STOLEN INTELLIGENCE DOCUMENTS

Mr. NELSON of Florida. Mr. President, last weekend, a Web page called WikiLeaks posted what they titled the "Afghan War Diary." It involved the collection of 91,000 operational and intelligence documents about information that was collected in Afghanistan, and it was, they said, stolen from U.S. military networks.

These documents contain sensitive information on military tactics, techniques and procedures and it revealed the names of critical intelligence sources. Very sensitive information is now in the hands of adversaries, and I wish to express my outrage over this incident.

I am sad to say, this is what is breaking right now in Newsweek: "Taliban Seeks Vengeance in Wake of WikiLeaks. Leaked U.S. Intel documents listed the names and villages of Afghan collaborators—and the Taliban is starting to retaliate." That is the headline in Newsweek that has just broken.

I have the privilege of serving on the Senate Armed Services Committee and the Senate Intelligence Committee. I can tell you what has happened is very disturbing, and I agree with the Chairman of the Joint Chiefs of Staff, who has stated that the release of these documents has endangered lives—both the lives of our American service men and women and the lives of Afghan people who happen to give us important information to help us protect our Americans.

It has been just over a week since the release of these classified documents, and the media reports indicate, as that Newsweek article indicates that has just been published, that the retaliation has begun.

Last week, when the New York Times reported on this subject, they said a search of the leaked documents "gave the names or other identifying features of dozens of Afghan informants, potential defectors and others who were cooperating with American and NATO troops." That is the New York Times article.

Also, last week, in response to the listing of these names, a Taliban spokesman stated this:

We are studying the report. . . . We will investigate through our own secret service whether the people mentioned are really spies working for the US. If they are . . . spies, then we know how to punish them.

Well, we have the indications that the Taliban is following through with their plan to punish, so-called punish. According to this Newsweek article, death threats have begun arriving at the homes of key tribal leaders in southern Afghanistan, and over the past weekend one tribal leader was taken from his home and executed.

One of these death threats was shared with a reporter, and this is what the death threat states:

We have made a decision for your death. You have five days to leave Afghan soil. If you don't, you don't have the right to complain.

Obviously, something very serious has happened, and there are a bunch of us who are extremely concerned about the damage this incident has caused to our operations in Afghanistan and to our national security as a whole.

There are a bunch of questions we have to answer. How could we have allowed the names of those who cooperate with us to be posted on an open-source Web page or was this surreptitiously taken away? Another question: What kind of impact will this leak have on our ability to gain the trust of local populations in the future?

This security breach is absolutely astonishing, and it represents a system-

atic breakdown in our national security procedures. I simply find it hard to believe that somebody could have downloaded tens of thousands of documents from our classified military networks without them being detected. So it brings us back to suspecting they have been leaked, and if it had never appeared, would we have known they were stolen from our classified networks?

Another question: How many people were actually involved in this incident? Do we have a way to determine whether additional documents have been or are being stolen in the same manner?

These are serious questions that I am sure the Department of Defense is examining as we speak. I applaud Secretary Gates for taking swift action to aggressively investigate who was responsible. But it is just as important to find out how our security practices failed to prevent the leak and to identify what must be done to prevent another security breach of this magnitude. The investigation is underway. We need to know the scope of the investigation. We need to be informed on what immediate steps have to be taken to address the network security breach.

When you start dealing with people's lives, you simply cannot fool around with this kind of laxity or someone betraying the country, and we have to get to the bottom of it.

#### SMALL BUSINESSES

Mr. President, I know this week we are going to be voting on the small business bill. My colleague from Louisiana is here, with whom I have had a number of colloquies on the floor. It is inexplicable to me how, because of procedure, Members on the other side of the aisle can keep voting no, not to bring up this small business assistance that so many political allies and political opponents all unanimously embrace.

Once we get through with this bill—and I hope we get it passed and do not have to wait around until September to do it—there are other things we can do. I filed a bill to give our businesses all along the gulf an amendment to the IRS Code that would allow them to take their losses and to carry back those losses 5 years instead of the standard practice of a 2-year carryback. In essence, that would allow them in this particular year to take the losses, which are going to be severe to so many businesses, especially small businesses along the gulf, and to carry back and amend previous tax returns where they had an income tax consequence because they had income. Therefore, they could deduct those losses going back 5 years instead of just 2 years.

The interesting thing about it is, the revenue consequence over 10 years is \$119 million. This is not the huge amounts we have been talking about in dealing with this gulf crisis of billions and billions of dollars. So in comparative terms, the revenue consequence is

minor. Therefore, it is something else we can do for the people who have suffered so much, especially the small businesses along the gulf.

I yield the floor.

The PRESIDING OFFICER. The Senator from Louisiana.

#### SMALL BUSINESS LENDING FUND ACT

Ms. LANDRIEU. Mr. President, I understand we are not in any particular order. I wish to speak for about 15 minutes, and then I understand there will be leadership time prior to the vote scheduled for 5:45.

I wish to take a minute to refocus the Senate on the issue we were debating when we left on Friday. We took some time over the weekend—many of us worked through parts of the weekend—to see if we could try to bring a very important debate to a close. It looks as though, from conversations through the weekend and this morning with the leadership, we are making progress, so I am encouraged at this point. However, of course, until the motions are made and the votes are in, we are not 100 percent certain. But it feels as though the debate last week really moved many Senators, both Democrats and Republicans, to understand how important it is to focus our efforts—particularly in this last week before we leave for the August recess—on Main Street, on small business, on getting directed help and support, through a variety of different avenues, to Main Street. That is what we spoke at great length about last week.

Before I speak about a few pieces of the bill and parts of the bill, I would like to follow up on what my colleague from Florida, Senator BILL NELSON, just said regarding a provision we had hoped could have potentially been in this bill, but there is a possibility it could be included in an extenders package or some other tax bill that comes along either before we leave for August or when we come back in September.

I most certainly support his bill and what he outlined. He said it clearly, but just to restate, there are businesses along the gulf coast that are having an extremely difficult time not just with the major oilspill but now with the moratorium that has been put in place. Regardless of how one feels about the moratorium, it is having a very significant negative economic impact on businesses—not just big oil, which can usually find a way to take care of itself, but it is the smaller service companies and the machine operators. It is the helicopter pilots. It is the divers. It is the businesses that service the gulf that are having such a difficult time. I don't have the details here at my desk, but it is mounting every day—millions and millions of dollars in losses. The backdrop of this devastation in the gulf, of course, is the fifth anniversary of Katrina this August. This is August 2. The anniversary of Hurricane Katrina is August 29.

So the Senator from Florida is absolutely correct. There are businesses reeling along the gulf coast, having

just recovered from a terrible spat of storms, including Wilma, Katrina, Rita, Gustav, and Ike, and now the same area is being hit with the effects of the spill and the moratorium. So the Senator from Florida is absolutely correct. If we could provide some relief, which we have done—not routinely, but it is not unprecedented—as suggested by the Senator from Florida, I hope we can get that done.

I made mention—it is not in the small business bill, but it is an amendment I had filed earlier to this bill, and unfortunately I don't think we will be able to get it on this bill, but we will continue to work on it. It is sort of a companion bill to the bill of the Senator from Florida, and that is to provide interest relief to gulf coast businesses that have outstanding business disaster loans. Again, they are trying to get specific, targeted help to an area of the country that has been extremely hard hit. They have been affected not just by the national recession, but they have been book-ended by the national recession and the slams from Katrina and Rita and now the slamming from the oilspill and the moratorium, and the middle part is that we got hit by the recession. So we just need some special help and support.

I thank the Senator from Florida for coming down. I thank all of the gulf coast Senators who have been working so hard, unified, across party lines, to bring the kind of help and support we need for the gulf coast.

That will be debated on other bills to come. But I am looking forward to an opportunity to offer that amendment with my good friend, the Senator from Mississippi, Mr. COCHRAN, to again waive interest charges of up to \$15,000 for all the outstanding business disaster loans on the gulf coast. That will give them a little reprieve, a little break at a time when they most certainly could use the reprieve and use the break. It only costs about \$100 million. We have a way to pay for it. The money has actually already been set aside in another provision. We are going to use \$100 million of a portion of money that is remaining in an account so that it does not add to the deficit. The Senator from Florida—I am not sure what his offset is, but, again, \$100 million in the scheme of things is not an exorbitant amount of money by Washington standards, and we can most certainly find a way to pay for this special help to gulf coast businesses.

There are many Main Streets in the gulf coast. Whether it is the strip, as we call it—not just Las Vegas has a strip, but we have a strip running down through the panhandle of Florida; whether it is other Main Streets in resort towns; whether it is in Alabama or in Mississippi; whether it is Biloxi or Gulfport or Pensacola Beach—and I could go on and on; whether it is the Main Street down Grand Isle or through Morgan City, these businesses on Main Street are hurting.

So I have spent a good bit of time in the last week as chair of the Small Business Committee talking about the fact that we have seen significant job losses in this country from small business. This, again, is the monthly national employment report from Automatic Data Processing, so this is the government's official data: U.S. jobs lost by firm size for the last 2 years, from 2008 to 2010. We can see that 81 percent of the jobs being lost are being lost by small businesses, and these are defined as businesses with fewer than 500 people. If one would do the data based on businesses with fewer than 100 people or fewer than 50 people, I don't know what it would show, but I would venture to guess that the lion's share of business loss has come from the smaller businesses. So it goes without saying that when we want to replace the jobs, the fastest way to get them replaced is to give those same businesses the help they need to rehire.

If we could give those small businesses an opportunity to rehire, which is what this small business bill does, we might be able to have a job-filled recovery instead of a jobless recovery. People have called it that because it is showing signs of being just that. Many companies have been making profits. Wall Street has had a little bit of a good run lately. Big banks have been doing pretty well. So while the economy seems to stabilize, Americans, at least in my hometown of New Orleans and around Baton Rouge and Lafayette and Shreveport and New Iberia and other places, say: But Senator—and, of course, our situation is compounded even more than this—they say: We are losing jobs. Jobs are disappearing. Small businesses are laying off.

So whether we are talking about Louisiana or Michigan or Florida or Maine or South Dakota or Missouri or other places, if we want to see jobs created, we should be focusing some time and effort on helping small businesses to create those jobs. There are some things small businesses need.

I wish to spend a minute talking about the base of the bill again, of which we are very proud. This bill was built through the Small Business Committee and the Finance Committee.

This is a description of the small business access to credit. The top item is one of the important provisions of this bill. I wish to stress—because several Members have come to talk to me about credit unions—that credit unions and banks are included in this top provision. Credit unions and banks can use the programs of the SBA, and these programs will be expanded from \$200 million to \$500 million—the 7(a) Loan Program, which is basically the loans that small businesses make for capital and for investments. The 504 loans are traditionally real estate loans. Right now, they are capped at \$1.5 million. We know lots of businesses out there that—I mean, \$1.5 million sounds like a lot of money, but, of course, when you are in the real estate business, it

doesn't go that far these days. So raising that to \$5.5 million will go a long way.

In fact, I received a letter from a businessperson in the real estate business, and I wish to read a paragraph about what he said over the weekend about real estate loans, and then I will read the other part of his letter later. This is Mr. Gipson, Bryan Gipson, Sr., from Mississippi. He said:

Senator Landrieu: I am a commercial real estate broker. My company sells hotels throughout the southeastern United States. We have not completed a transaction in almost 2 years. There is no third party commercial financing for commercial real estate in the United States today. Our industry has been battered because of this. Hotels are closing throughout this country. Workers are being laid off. These workers make beds, they clean rooms, they work as wait staff, accountants, reservationists, and front desk personnel. Thousands of these hard-working Americans have been laid off. It is time for Congress to do something to put Americans back to work, back into jobs.

He is actually exactly correct. That is one of the main focuses of this. This is a Landrieu-Snowe provision on which we got almost unanimous consent out of the Small Business Committee to do. We did this in the stimulus act that was done earlier in the year, but it expired. So why are we doing it again? Because it worked the last time we did it. The documents are in, the review is in, and it was a roaring success. So we know it was successful. It expired, and we are now making it available for the next year. We know this program will get loans and capital out to businesses, much like Mr. Gipson from Mississippi. He could potentially borrow some of this money to keep one or more of his hotels open.

The small business trade and export promotion—this, again, was a bill from Senator SNOWE and myself. Of course, we had a tremendous amount of input from other Senators, but we learned something very—well, I learned something quite troubling. I didn't realize this until this year.

I am going to get the chart to show it. Big businesses in America do a lot of exporting. Of course, that makes sense. They have big law firms. They have special tax counsel. They even have probably people who can do advance work in other countries to introduce them to all the right people. So big business has access to that. But small businesses don't get a lot of help from the Federal Government. They need help to try to open markets across the world for them.

It is interesting to think about what the greatest potential growth for small business in America is. It is not just the market in the United States, it is the market around the world. According to population, not buying power, 94 percent of the market isn't even in the United States; 94 percent of the market is somewhere else in the world. So if we can help our small businesses export, which is what this chart shows—small business is only at 1 percent. Think

about that. Only 1 percent of small businesses export and 42 percent of large businesses export. They know what these companies should know: The markets are elsewhere, as well as here.

But if you have a good product, if you have the ways and the means to sell that product or service, there are people with a lot of money or with some money around the country who can buy that product. One way, as chair of the Small Business Committee, that I looked at strengthening small business just in sort of a conceptual way in America is if we could focus on helping them export. Look at the potential for growth. That is what we are looking for, potential for growth, because every small business that grows and one or two or three jobs are created and American products are sold around the world, we can kick this recession once and for all. Senator SNOWE and I worked together on this export provision. Then we were joined by Senators KLOBUCHAR and LEMIEUX, who I think both serve on the Commerce Committee. Commerce, besides the SBA, has a significant role to play. We basically enhanced our underlying provision with a Klobuchar-LeMieux amendment, and now we have, we think, a very strong provision to help businesses export. Just in a portion of it, we believe it could create 40,000 to 50,000 jobs in the next year. This is a very important component.

Small business contracting. Again, this was done by Landrieu-Crapo-Risch, Landrieu-Snowe, and Snowe-Merkley. It was a combination of what we could to have the Federal Government do a better job of contracting with small business. The Federal Government is so big and spends so much money and it has such large contracts that sometimes it is hard for small businesses—whether it is a printer in Delaware or a small manufacturer in Delaware or in Louisiana—to get any Federal business. The Federal Government has been getting better at helping small business, but it has been a focus of this Committee now for several years. We have improved this contracting provision. We believe, just this provision, without spending any more Federal dollars, using those Federal dollars that we are spending contracting with small business when they get those contracts—the best thing about them is they can take a Federal Government contract, particularly, and go to a bank and say to their banker: I just got a contract to provide 50,000 apples to the Federal Government, and I now have a contract for 5 years to do that; can I borrow some money from your bank? Because Federal accounts are looked at as a pretty good thing to have in your hand, they will then lend that small apple picker that amount of money, and they can go ahead and hire the workers to pick the apples and deliver them to the Federal Government. That is the idea. This works thousands and tens of thousands

of ways for different products and services.

The Federal Government itself should be doing everything it can to help small business, and that is in our bill. Again, it is a bipartisan effort.

We then went to small business management and counseling. This might be considered soft to some people, but I think it is extremely significant in this time. It is not just the women business centers and the minority business centers, but it is also things such as the SCORE chapter, which used to stand for Service Corps of Retired Executives. Now it is expanded beyond senior executives. It is a large nonprofit organization, broad-based, that reaches out to a small business that has seen their market evaporate or their product not being in demand anymore. They are good in business, but they need new and fresh ideas and a fresh approach.

That is what we do behind the scenes to support them in thousands of places throughout this country—in universities, women business owner centers, nonprofit organizations that can step up and, at no charge to the taxpayers, say: Why don't you try this or that? We have tremendous stories of success. This was something Senator SNOWE and I felt strongly about. That is in the bill.

These were estimates that were done not by our office but by those responsible for making such estimates, which said that maybe 10,000 jobs could be created. Who knows. If the counselors work hard and the economy starts picking up, thousands of jobs could be created because somebody was counseled through a difficult period, got a new idea, retooled their product or their shop, and they managed to survive the recession.

The small business disaster loan improvements was an important issue to Louisiana. I am happy I was able to include this. It is important to Florida also and potentially Alaska, which has a lot of aquaculture. In the past, for some reason, these particular businesses were not given any ability to apply for Federal disaster assistance, so many crawfish farmers and fishing and other aquatic businesses were left out in the cold after a disaster. We noticed that after Katrina, and we fixed it. We are extending it and extending help to aquaculture businesses.

Let me show this chart. This is to describe the importance of the small business bill, how many things it does focusing on small business, which is where I think the focus should be, and how bipartisan the underlying provisions are.

This is something that was worked on with Senators KERRY and SNOWE. It is the 100-percent exclusion of capital gains tax. It is interesting, and it came out of the Finance Committee. They said: Why don't we jump-start things by saying to anybody who has a little money or a lot: If you invest in a small business and hold that investment—invest in any small business, I think

below \$50 million in capital, any small business—you make that investment and you hold it for 5 years—let's say you quadruple your money—you don't pay a penny of tax on that capital gain. That is what I call an incentive—zero capital gains if you invest in a small business in America in the next period of time. We have a difference of opinion about what that time should be with the House. It will either be 6 months or a year. I am hoping for a year. It is a little more expensive to do it that way, but I think that would be a tremendous incentive to people sitting on some cash and looking around for what to do with it. You can invest in a good small business in your community. If you hold that for 5 years and make a quadruple—or 400 percent—return on your money, you can keep it all. You don't have to pay tax back to the Federal Government. We are serious about jump-starting small business.

The other is to increase deductions for startup expenditures. That is Merkley and Alexander. It is bipartisan.

Another one is tax equity for the self-employed. Senator BINGAMAN worked on this provision for years. He literally has led this fight, with Senator DURBIN and others, myself included, to try to get tax equity for the self-employed. There are 20 million self-employed people in America. The vast majority of small businesses in America are self-employed individuals. So we want to give them an opportunity to write off their health care costs, just like big corporations do. This is their No. 1 request. They have worked on it for 10 years. We couldn't find the money in the health care bill or any other bill, but we found the money in this bill to do it for them. I thank the Finance Committee and Senator BINGAMAN for leading that effort and Senator GRASSLEY as well. That provision is in the bill. It is a \$2 billion tax cut for the self-employed.

Again, we have an extension of bonus depreciation. That was very successful in the Stimulus Act. Some people get on the floor and don't read the details of anything, and they want to talk about how bad the stimulus package was. The fact is, that is not true. There were pieces of it that were extremely positive and we know it because we have the data and it was so good we want to repeat it here. So, yes, there were some things in the stimulus provision that were very good. One of them was the bonus depreciation to small business. You can immediately write off 50 percent of the cost of capital expenditures for 1 additional year for new property purchased and placed into service by 2010. This is an expensive provision; it is \$5.5 billion. But we know it works, and we believe this incentive will go a long way.

It is a little bit of a stretch, but this came to mind and I am going to say it. Incentives work. Recently, in Washington, DC, the DC City Council passed an incentive, if you will, that when you



go to the grocery store—which I do with my family—if you bring your own bags, you don't have to pay the bag charge. They just decided they don't want to have plastic bags floating in the Potomac. I thought it was odd when I first went to the store and came across that provision. I thought, nobody is going to pay much attention to having to pay 5 cents for a bag. But I can tell you, it is working. How do I know? Because I observe 80 percent of the people who come into the grocery store walk in with their own bags. For 5 cents a bag—I thought you would have to make the charge more than that to get people to do it. But it works out that a little incentive, placed in the right way, actually changes behavior. I am now bringing my own bags to the grocery store. When they ask: "Do you want to pay 5 cents for a bag," I say, "No, I have my own." So this can work. We know it works. I gave a small example. This is a more complicated and bigger example, but that is what we believe a good bill, drafted correctly, thought through carefully, can do to incentivize people to take actions they would not necessarily have taken. You are not going to pay people for doing it anyway. But if you can incentivize a business in the right way, they might say: I was going to hold off buying X, but because the Federal Government is giving me a 50-percent writeoff, I am going to buy it now. That is what we want. We want them to buy "it" now, because when they buy it now, the people making the "it" have to make more of them and it goes on and on and on.

The small business penalty relief is a bipartisan provision, again. This all came out of Finance. These get down into a little bit of minutia, but the point is there are small incentives that can provide credits to businesses, and they were done in a bipartisan fashion. Here is Kerry and Ensign. Here is Snowe and here is Grassley. This is Baucus-Grassley-Brownback. Here is Inhofe-Johanns-Menendez. It has been a real bipartisan effort. I am proud of that.

There are some differences of opinion about some portions of the bill. We have had a debate. The lending program is something that not everybody supports but 60 of us do. We got a strong vote on that lending fund. That is now added to the bill. So we have the LeMieux-Landrieu lending fund added by 60 votes. We have Senator NELSON, and Senator MURRAY was the lead designer of this—Senators MURRAY and CANTWELL.

I am grateful for this \$30 billion lending fund that will go to small banks, not big banks. You have to be below \$10 billion. So if you are greater than \$10 billion, go look for another program; this is not for you. But if you are a small bank—and most of your community banks are below \$10 billion, so most of my banks in my State qualify, except for two or three. I don't know about Delaware or New York or other

States, but I assume that would hold true. Probably 90 percent of all banks in every State, at least, would be eligible, but not every bank would because it is not for the big banks, just the smaller banks. We want them to get to this loan program. It is completely voluntary—completely voluntary. If they lend to small business and increase their lending to small business in their neighborhood—to people they know, to people they trust, businesses they believe in—then they have to pay less money back to the Federal Government. But even doing that, we think the score is so significant that the Federal Government will actually make \$1 billion. That is what the official CBO score says, that we will make \$1 billion over 10 years.

Then we have an anti-Medicare and Medicaid fraud provision which Senator LEMIEUX came up with. I think he has some good ideas, and we have structured it in such a way that we do believe we can save the Federal Government a significant amount of money by including this. That money just comes back to the Treasury for deficit prevention. We haven't used a score against this, so this will go to deficit prevention.

Then the final part of the LeMieux-Landrieu amendment was expanding the export promotion. Again, this is done in a bipartisan fashion.

I know we are getting to the 5:30 mark. I don't see anyone else on the Senate floor, so I will speak for just a minute or so more because we are going to a vote on a different subject. But I would like to just put up the Main Street sign again to reiterate how important this is for Main Street and for small business.

I am not sure what is going to happen on the 5:45 vote which was supposed to be taken regarding funding for health care and education. But at some point right after that action at 5:45, I think the leaders will come to the floor of the Senate, and I hope I will hear them say we have reached an agreement on one, two, or three amendments on the small business Main Street bill so we can vote on those amendments either later tonight or tomorrow and then vote for final passage.

Again, I want to thank the list of sponsors and cosponsors. I think we have over 70 organizations, and maybe now it is over 100—the National Bankers Association, the American Bankers Association, the Independent Bankers of America.

So for those who say banks are not supportive, that they think it is like another program that is not popular, I don't believe the bankers would be supportive of this if they weren't for it. We have received very strong letters from America's Community Bankers and then the individual chapters, such as the chapter from Alabama, which has written us; the chapter from Georgia; the chapters from Illinois, Kansas, Ohio, and Iowa, as well as the Financial Services Roundtable, which is

made up of some of the larger businesses. But their letter was very telling.

In it they say to me: Senator, even though a lot of our specific members may not benefit directly from this bill, we will all benefit indirectly because when small business is stronger in America, big business is stronger in America.

I am very happy to have received that letter. The Maine Association of Community Banks, Marine Retailers Association of America, Maryland Bankers Association—and I might say that Senator CARDIN particularly, as a member of the Small Business Committee, has been very helpful to us in crafting this bill—the National Association of Manufacturers, the National Automobile Dealers, the National Council of Textile Organizations, and the National Restaurant Association, just to name a few.

So from Tennessee to New York, from California to South Dakota, all the way down to New Mexico and Arizona, the support is very widespread, and let me just read a few things in closing that some of the national organizations have sent.

This is from the National Small Business Association:

Unlike last year's TARP program, the SBLF would only advantage banks actually making small business loans. The National Small Business Association has advocated for the creation of such a fund to improve small business owners' access to capital since 2009. [We] urge quick action on the proposal, as America's small business owners can afford [no] further delay.

Again, from the Independent Community Bankers:

The Nation's 8,000-strong community banks are well positioned to leverage the fund and have established relationships with small businesses in their communities to get credit flowing. The \$30 billion in capital provided by the fund could be leveraged by community banks to support as much as \$300 billion in additional small business lending. We applaud the new program focused on getting funds to Main Street small businesses using Main Street community banks.

So whether it is from the Small Business Majority, the National Small Business Association, or the bankers that know our small businesses best, the word is, pass the bill and get Main Street moving again.

Mr. President, I yield the floor, and I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. REID. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. REID. Mr. President, I ask unanimous consent that the motion to refer and the cloture motion be withdrawn.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. REID. Mr. President, as everyone here knows, we have been working on a

small business jobs bill for the past several weeks. Republicans had said they would work with us to pass a bill if they were able to offer three amendments. Unfortunately, when I made this offer last week, they rejected it. During the course of the discussions, it became apparent they were more concerned about preventing votes on Democratic amendments rather than getting any votes on Republican amendments.

In an effort to accommodate their concerns and break the impasse on the small business jobs bill, I decided to set up a stand-alone vote on education and public safety. These jobs are so important. I did that so we can move ahead on small business jobs. We drafted a bill that provided the \$26 billion necessary for education jobs and public safety jobs, as well as the offsets to pay for that package. I offered that amendment late last Thursday and intended to have a vote on it today.

Earlier today—a few hours ago, actually—CBO informed us that the score did not turn out as we intended. Basically, without going into a lot of detail, we used the same numbers the House did. Because of the intervening time, the numbers changed because this would not be completed until after we got back in September, so certain spending cuts did not produce the savings we needed. Therefore, I will ask unanimous consent to modify the amendment so it, indeed, will be budget neutral. I expect my Republican colleagues to object to that request. If they do, I will move to table the pending motion to concur and offer an amendment. That amendment will fund hundreds of thousands of jobs and will be fully paid for, according to CBO. We already have the signoff now. They wouldn't give us the score until today.

This amendment should address concerns I had about the previous version. I am hopeful everyone here will be able to support it.

I now move to table the motion to concur, and ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There appears to be a sufficient second.

The question is on agreeing to the motion.

The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. KYL. The following Senators are necessarily absent: the Senator from Georgia (Mr. CHAMBLISS), the Senator from Oklahoma (Mr. COBURN), the Senator from New Hampshire (Mr. GREGG), the Senator from Alaska (Ms. MURKOWSKI), and the Senator from Louisiana (Mr. VITTER).

Further, if present and voting, the Senator from Alaska (Ms. MURKOWSKI) would have voted "yea."

The PRESIDING OFFICER (Mrs. SHAHEEN). Are there any other Senators in the Chamber desiring to vote?

The result was announced—yeas 95, nays 0, as follows:

[Rollcall Vote No. 223 Leg.]

YEAS—95

Akaka	Enzi	McConnell
Alexander	Feingold	Menendez
Barrasso	Feinstein	Merkley
Baucus	Franken	Mikulski
Bayh	Gillibrand	Murray
Begich	Goodwin	Nelson (NE)
Bennet	Graham	Nelson (FL)
Bennett	Grassley	Pryor
Bingaman	Hagan	Reed
Bond	Harkin	Reid
Boxer	Hatch	Risch
Brown (MA)	Hutchison	Roberts
Brown (OH)	Inhofe	Rockefeller
Brownback	Inouye	Sanders
Bunning	Isakson	Schumer
Burr	Johanns	Sessions
Burris	Johnson	Shaheen
Cantwell	Kaufman	Shelby
Cardin	Kerry	Snowe
Carper	Klobuchar	Specter
Casey	Kohl	Stabenow
Cochran	Kyl	Tester
Collins	Landrieu	Thune
Conrad	Lautenberg	Udall (CO)
Corker	Leahy	Udall (NM)
Cornyn	LeMieux	Voinovich
Crapo	Levin	Warner
DeMint	Lieberman	Webb
Dodd	Lincoln	Whitehouse
Dorgan	Lugar	Wicker
Durbin	McCain	Wyden
Ensign	McCaskill	

NOT VOTING—5

Chambliss	Gregg	Vitter
Coburn	Murkowski	

The motion was agreed to.

The PRESIDING OFFICER. The majority leader.

Mr. REID. Madam President, I am sorry we had to go through all this procedural stuff. It would have been easier just to have a consent agreement and we would wind up doing this anyway, but there was an objection to this by my friends on the other side of the aisle.

Basically, what happened today is the Congressional Budget Office, at the last minute, gave us a different number. As a result, we wanted to make sure everything was budget neutral, and it was not. So we are going to offer an amendment now that will show everything budget neutral. That is where we are.

MOTION TO CONCUR WITH AMENDMENT NO. 4575

I move to concur in the House amendment to the Senate amendment to H.R. 1586 with an amendment which is at the desk.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Nevada [Mr. REID] moves to concur in the House amendment to the Senate amendment with amendment No. 4575.

Mr. REID. I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

(The text of the amendment is printed in today's RECORD under "Text of amendments.")

Mr. REID. I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

AMENDMENT NO. 4576 TO AMENDMENT NO. 4575

Mr. REID. I have a second-degree amendment at the desk.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Nevada [Mr. REID] proposes an amendment numbered 4576 to amendment No. 4575.

Mr. REID. I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

At the end of the amendment, insert the following:

The provisions of this Act shall become effective 5 days after enactment.

CLOTURE MOTION

Mr. REID. I have a cloture motion on the motion to concur at the desk, and I ask that it be stated.

The PRESIDING OFFICER. Pursuant to rule XXII, the clerk will report the motion to invoke cloture.

The legislative clerk read as follows:

CLOTURE MOTION

We, the undersigned Senators, in accordance with the provisions of rule XXII of the Standing Rules of the Senate, hereby move to bring to a close debate on the motion to concur in the House amendment to the Senate amendment to H.R. 1586, the Aviation Safety and Investment Act of 2010, with amendment No. 4575.

Harry Reid, Patty Murray, Max Baucus, Richard J. Durbin, Robert Menendez, Daniel K. Inouye, Christopher J. Dodd, Carl Levin, Dianne Feinstein, Al Franken, Jack Reed, Sheldon Whitehouse, Frank R. Lautenberg, Roland W. Burris, Tom Harkin, Ron Wyden, Charles E. Schumer.

Mr. REID. I ask unanimous consent that the mandatory quorum be waived.

The PRESIDING OFFICER. Without objection, it is so ordered.

MOTION TO REFER WITH AMENDMENT NO. 4577

Mr. REID. I have a motion to refer with instructions at the desk, and I ask that it be stated.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Nevada [Mr. REID] moves to refer the House message to the Senate Committee on Appropriations with instructions to report back with the following amendment No. 4577.

The amendment is as follows:

At the end insert the following:

The Appropriations Committee is requested to study the impact of any delay in providing funding to educators across the country.

Mr. REID. I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There appears to be a sufficient second.

The yeas and nays were ordered.

AMENDMENT NO. 4578

Mr. REID. I have an amendment to the instructions at the desk.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:



The Senator from Nevada [Mr. REID] proposes an amendment numbered 4578 to the instructions of 4577 of the motion to refer.

The amendment is as follows:

At the end, insert the following:

"and include any data on the impact on local school districts"

Mr. REID. I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There appears to be sufficient second.

The yeas and nays were ordered.

AMENDMENT NO. 4579 TO AMENDMENT NO. 4578

Mr. REID. I have a second-degree amendment at the desk.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Nevada [Mr. REID] proposes an amendment numbered 4579 to amendment No. 4578.

The amendment is as follows:

At the end, insert the following:

"and the impact on the local community"

#### MORNING BUSINESS

Mr. REID. Madam President, I ask unanimous consent that the Senate proceed to a period of morning business with Senators allowed to speak for up to 10 minutes each.

The PRESIDING OFFICER. Without objection, it is so ordered.

#### ORDER OF BUSINESS

Mr. REID. Madam President, I announce to the Senate, as I did earlier today, that in the morning, we hope at 9:30, Senators LEAHY and SESSIONS will be here to move to the Kagan nomination to the Supreme Court of the United States.

Mr. BENNET. Madam President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. BROWN of Ohio. Madam President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BROWN of Ohio. Madam President, I ask unanimous consent to speak as in morning business for up to 10 minutes.

The PRESIDING OFFICER. The Senate is in morning business.

The Senator is recognized.

Mr. BROWN of Ohio. Thank you, Madam President.

#### 5-YEAR ANNIVERSARY OF CAFTA

Mr. BROWN of Ohio. Madam President, today is a historic day, in some sense. Five years ago today, President Bush signed the Central American Free Trade Agreement, on August 2, 2005.

A month earlier—I was a Member of the House of Representatives then—the majority leader, Tom DeLay, a Republican from Texas, held the 15-minute

typical vote—a rollcall vote in the House of Representatives is normally held open for 15, 20 minutes, at the most—he held the 15-minute vote open for more than an hour while last-minute deals were made. The U.S. Trade Representative was camped just off the House floor. He was a former Member of Congress.

According to news reports, after this hour delay, arms were "twisted into a thousand pieces." Republicans who were opposed or undecided were courted during hurried meetings in Capitol hallways, on the House floor, and at the White House. Republican leaders told rank-and-file, reluctant Republicans, who really did not want to vote for this deal, that now is time to ask, that deals could be cut.

Members took advantage of the opportunity by requesting such things as fundraising appearances by the Vice President and the restoration of money the White House had tried to cut from agricultural programs. That is how they passed it.

People, even Republican House Members, who were generally enthralled to corporate interests, who normally would go with the drug companies, the insurance companies, the large financial institutions, who would almost always vote for them, even many of them wanted to vote no, but because of this, as the paper said, arm twisting "into a thousand pieces" on the House floor, enough of them voted for it to pass the bill.

When the 15-minutes had expired, the vote was 175 "yes," 180 "no." So in order to pass it, they had to keep the rollcall open for about another hour to twist these arms and finally pass the legislation, if I recall, by 1 vote.

We know what has happened. The Central American Free Trade Agreement has not worked any better than other trade agreements. We know that job loss in the last 10 years—because of PNTR with China, passed by the Senate 10 years ago this fall—we know, in Ohio alone, we have seen job loss to the Dominican Republic from the Central American Free Trade Agreement, the CAFTA. We have seen job loss from a company in Marysville, a company in Miamisburg, a company in Hudson, OH. We have seen job loss all over the country. We have seen it with the North American Free Trade Agreement. We have seen it with the PNTR with China. And we have seen it with the Central American Free Trade Agreement.

I was at a plant today in Parma, OH, a suburb of Cleveland, the corporate headquarters of GraphTech. It is a company that used to be part of Union Carbide and is actually the plant where the Eveready battery originated. They specialize in graphite for major industrial concerns such as the steel industry. They also make graphite for solar, for all kinds of things, for flat screen TVs, for electronic equipment. They, as so many other companies, are doing well. They have actually hired 60 peo-

ple in the last year. They are looking to hire more. I spoke to about 150 workers today. Most of them do not do production in this facility. But they have production in Lakewood, right nearby, a few miles away in another suburb of Cleveland.

But this company is always under threat from China gaming the system. When I was talking to workers and management, I was talking about how China, because of its currency—this competition from China has been so difficult for American companies because they do not play fair.

I was speaking to an expert who deals a lot with China. I said: Because of this huge trade deficit we have with China—we buy a lot more from China than we export to them—do they laugh at us?

He said: No, they don't laugh at us. They just think we are a declining power.

It breaks my heart to think China thinks that, but it breaks my heart even more when I see what is happening to our manufacturing base.

This company, GraphTech, is so important for our economic future, but so is getting these trade agreements right.

The Obama administration, fortunately, has just this week launched an action to announce that the United States will file a case against Guatemala under the Dominican Republic-Central America-United States Free Trade Agreement—the CAFTA—for apparent violations of obligations on labor rights. It is the first time a President has done that. That is good news. That salvages some of the damage done by the Central American Free Trade Agreement, CAFTA, because for decades our government has negotiated trade agreements which give lip service to protecting workers while looking the other way when there were clear violations of labor rights. We are willing to protect intellectual property in Hollywood films, but we are not so willing to protect workers in the environment.

This action by the Obama administration, again, is a good thing, but we need to do much, much more. We have all kinds of petitions filed, and requests, from industries and workers in this country who have been wronged, cheated, gamed by the trade agreements that have passed, and we clearly need the Obama administration on our side fighting for American workers, fighting for American jobs. It did not happen in the previous administration, to the tune of millions of jobs lost, millions of manufacturing jobs lost in the 8 years of the Bush administration, with their Trade Representative who always seemed to side with large corporations in this country that outsourced jobs to China but did not side with American workers and small manufacturers in places such as Lima and Zanesville and Mansfield, OH.

So as we commemorate today, the 5-year anniversary of President Bush's