

Given the need to live with our currently aging stockpile until an adequate production capability is established (after 2020), accurate assessment of the state of the current stockpile is paramount. The 1251 plan update shows a doubling of surveillance funding from FY09 to FY11—which is commendable—but is our understanding that the NNSA is reviewing an updated surveillance plan that could lead to greater budget requirements. NNSA should affirm that this review has been completed and the budget request will reflect updated requirements.

Finally, the 1251 update made clear that NNSA will not restore a production capability adequate to maintain our current stockpile levels (declassified as 5,113 weapons total), and instead allow up to 1,500 warheads to be retired or held with no maintenance unless funding increases are sought and obtained. Failing to maintain hedge weapons will increase the risk that the U.S. cannot respond to a problem in our aging stockpile. The Administration should not engage in further cuts to our deployed or non-deployed stockpile without first determining if such cuts are in our national security interest and then obtaining corresponding reductions in other nations' nuclear weapons stockpiles, such as Russia's large stockpile of weapons not limited by New START (e.g., its tactical nuclear weapons).

MODERNIZATION OF U.S. STRATEGIC DELIVERY SYSTEMS

The 1251 update deals not only with our nuclear weapons, but the delivery systems that are part of our TRIAD. The update indicates somewhat clearer intent by the Administration to pursue a follow-on heavy bomber (though not specifically nuclear) and air-launched cruise missile (ALCM), though development costs beyond FY 2015 are yet to be determined. While the update notes that estimated costs for a follow-on bomber for FY 2011 through FY 2015 are \$1.7 billion, there are still no costs or funding commitments beyond FY 2015. It is the same for the ALCM: \$800 million programmed over the FYDP, but no cost estimates are included beyond FY 2015. We should have a better idea of these estimated costs over the full ten years of the 1251 plan, and know whether the Administration intends to make this new heavy bomber and ALCM nuclear capable.

Decision-making for an ICBM follow-on is unlikely before FY 2015, at the completion of an ongoing analysis of alternatives. The update notes: "While a decision on an ICBM follow-on is not needed for several years, preparatory analysis is needed and is in fact now underway. This work will consider a range of deployment options, with the objective of defining a cost-effective approach for an ICBM follow-on that supports continued reductions in U.S. nuclear weapons while promoting stable deterrence." (emphasis added) We think it important to understand what the Administration intends when it suggests that a decision regarding a follow-on ICBM must be guided, in part, by whether it "supports continued reductions" in U.S. nuclear weapons—especially since we seriously doubt it's in our interests to pursue reductions beyond the New START treaty. One logical inference from this criterion is that a follow-on ICBM is no longer needed because the U.S. is moving to drastically lower numbers of nuclear weapons. We continue to press for a letter from the DOD confirming its commitment to follow-on nuclear-capable delivery systems.

CONCLUSION

Until these issues are resolved, it will be difficult to adequately assess the updated 1251 plan, despite the welcome increases in proposed spending. And as has always been clear, assurances from the appropriate au-

thorizers and appropriators must be obtained to ensure that the enacted budget reflects the President's request.

APPENDIX

Briefly, some of the stockpile programs most affected by the lack of Administration support for modernization include:

Replacing Manhattan Project-era Facilities: Since the closure of the Rocky Flat Plant in 1989, the U.S. has had only a limited capability to produce the core component of our stockpile weapons: the plutonium pit. To establish a pit production capability, a 60-year-old research laboratory must be replaced by the Chemistry and Metallurgy Research Replacement (CMRR) nuclear facility at Los Alamos. Likewise, producing uranium components at the 70-year-old facility at Y-12 in Oak Ridge is an increasing risk that requires construction of a new Uranium Processing Facility (UPF). Completion of these new facilities will be essential in meeting life extension program requirements starting in 2020.

Production Capacity: As Secretary Gates stated, "Currently, the United States is the only declared nuclear power that is neither modernizing its nuclear arsenal nor has the capability to produce a new nuclear warhead." The United States requires a nuclear weapon production capability with sufficient capacity to satisfy the life extension requirement of our aging weapons, as well as to provide a "hedge" against future technical or political problems. Currently, we are limited to producing a handful of plutonium pits a year for one weapon, but are unprepared to produce most of the remaining pieces of that weapon. Modernization of the NNSA laboratories and plants is required to correct this issue, with the stated goal of establishing a "capability-based" production capacity. Without this capacity, there can be no stockpile reductions. In fact, General Chilton argues the stockpile might have to be increased: "I would say because of the lack of a production capacity there's a fear that you might need to increase your deployed numbers because of the changing and uncertain strategic environment in the future."

Life Extension Programs: Under current policy, the laboratories and plants are constrained to extending the life of existing warheads to keep them in the stockpile for much longer than originally expected. Thus, as the weapons age and concerns are observed, the laboratories and plants determine how best to repair the weapons. Aging components are replaced, remanufactured or inspected for reuse in the stockpile. In performing life extension for the W87 and the ongoing W76, our experts have discovered that it is very difficult to reconstitute processes and capabilities that have been allowed to atrophy. Currently, the W76 warhead is in LEP production, the B61 LEP study is underway and the NPR called for an FY2011 start to a W78/W88 LEP study that will research if the two warheads can be life-extended simultaneously.

Surveillance: The average age of our current nuclear weapons is approaching 30 years. To ensure that each warhead remains reliable, each year approximately 11 warheads per type should be returned from the military for dismantlement and evaluation. Components are inspected and tested to ensure reliable operation. This program aids in the annual assessment of the stockpile performed by the laboratories and is the lead mechanism for identifying potential stockpile issues. Due to inadequate funding, surveillance requirements have not been met for many years, raising concerns about confidence in the stockpile.

Deferring Maintenance, Creating Chokepoints: In addition to the CMRR and

UPF construction projects to replace aging facilities, a significant number of buildings in our laboratories and plants have been accumulating a backlog of maintenance. This deferred maintenance creates a substantial number of facilities that could (and occasionally do) become a choke point in the progress of a life extension program. Maintenance can only be deferred for so long, until, eventually, something breaks; and when it does break, it is usually much more expensive to replace than routine maintenance would have cost. Reducing deferred maintenance is a demonstration that we are moving from a nuclear weapons complex in decline, to a revitalized and robust capability.

Critical Skills: Perhaps the most significant attribute of a strong deterrent is the scientific and technical capability that is present in our laboratories and military complex. Maintaining those skills, especially as most nuclear-test experienced weapon designers are past retirement age, is a growing challenge within the NNSA laboratories and plants.

Hedging: Without a robust production capability, the U.S. maintains a large non-deployed stockpile as a technical hedge against stockpile concerns and a political hedge that allows rapid upload should another nation become increasingly adversarial. With the technical hedge, if one weapon type were discovered to have an urgent issue requiring replacement, alternate components in the force structure theoretically could be used to compensate for that loss of capability. For example, W78 warheads on Minuteman III might be replaced by W87 warheads maintained in storage, and vice-versa.

Delivery Systems: Nuclear weapon delivery systems require replacement within the next thirty years. These systems include:

The B-52H bomber, first deployed in 1961 and scheduled to be sustained through 2035;

The B-2 penetrating bomber, deployed in 1993 is currently being updated for long-term sustainment;

The Air-Launched Cruise Missile (ALCM), deployed in 1981 and scheduled to be sustained through 2030;

The Minuteman III ICBM, deployed in 1970, undergoing life extension and scheduled for replacement by 2030;

And the ballistic missile submarines and missiles. Ohio-class SSBNs were first deployed in 1981 and commence retirement in 2027. The Trident II Submarine Launched Ballistic Missile (SLBM), deployed in 1990, will be sustained through at least 2042, following a life extension.

Mr. SPECTER. I thank the Chair and yield the floor.

The ACTING PRESIDENT pro tempore. The Senator from Nebraska.

1099 REPEAL

Mr. JOHANNES. Mr. President, we have a distinct opportunity to take what I regard as very clear and decisive action to uphold two very important principles. We as a Senate, No. 1, support enabling job creation. In this regard, repealing the 1099 paperwork mandate helps fulfill our promise to clear Federal roadblocks that are stopping small businesses from expanding and putting Americans to work.

Small businesses want to expand. They want to hire more workers. Millions of Americans want to get back to work. Yet the tax paperwork mandate hidden in the health care law requires businesses to file a mountain of additional 1099 tax forms. It will consume

resources that would otherwise be spent on wages for new employees. Our job creators need to be focusing their time and energy on hiring and expanding, not dealing with government-directed mounds of paperwork.

In addition to halting this enormous amount of tax paperwork, full repeal would prevent erroneous IRS fines and hefty accountant bills from slamming our job creators.

As the President of the National Federation of Independent Business put it:

You can't operate and grow your business if you are spending all your time filling out IRS forms and haggling with auditors.

I couldn't agree more, and that is why I have been actively advocating for a complete and full repeal of this burdensome 1099 requirement for many months now. Anything less than a complete repeal is simply unacceptable.

No. 2, we take seriously the concerns of so many Americans with our government's out-of-control spending. That is the second principle we can stand for today. The elections recently held, I believe, sent a very clear message about Washington's spending habits and our enormous \$14 trillion debt. Voters expressed dismay and alarm with the rate of government spending and with enormously good reason. Spending has increased by more than 21 percent since 2008 and annual deficits weigh in at more than \$1 trillion.

American households across this great country are doing the best they can to put food on the table and pay the mortgage. In the face of a very difficult economic environment, they are doing everything they can to survive. Our families have seen their wages slashed, jobs lost, and home values plummet. Their solution to these difficulties isn't to continue spending with disregard for the level of their debt. Instead, they dig deep and figure out ways to cut costs and to make ends meet. Meanwhile, they look at their Federal Government in disbelief when they see how we continue to spend money we don't have.

My amendment takes their concerns to heart by fully offsetting the cost of the 1099 repeal. The alternative amendment piles \$19 billion of debt onto the backs of future generations, further kicking the fiscal responsibility can down the road.

Then-Senator Obama said this in 2006: America has a debt problem and a failure of leadership.

When he refers to the debt problem, he is absolutely right. How true that is. Even the sponsor of the alternative has spoken very well on this issue. Again, I am quoting, and the board shows the quote:

There is no one here who would argue the point that our deficits are too high. . . . We have to pay our national debt and then go on and find ways to reduce the budget deficits. I think all of us can agree that is something we have to do.

Getting our fiscal house in order will not be easy, but for the sake of the country's future, we have to take action.

Today we have an opportunity to do that: No. 1, repeal the onerous 1099 requirement; and No. 2, without adding a single penny to our deficit or to the cost of the health care law.

Some here may try to argue that we don't have to pay for the repeal. I could not disagree more. This repeal should and must be offset. As my colleagues may recall, in September, I offered a similar repeal that also was fully offset. It did receive significant bipartisan support, but some objected to my proposed offsets and came to me on the floor and said: I would be with you on this but for the offsets.

Opponents explained they voted no because they opposed taking money from the new health care law. So we sat down and, in the spirit of compromise, I took those criticisms to heart and came up with a new, non-controversial way to pay for this needed repeal.

My amendment uses unspent and unobligated funds from Federal accounts to fully pay for the repeal of the 1099 mandate. This fiscally responsible approach is not controversial, and it has been done many times before. At the end of every year, there is money left in the accounts of Federal agencies that has not been obligated for a specific purpose. According to the most recent OMB estimate, roughly \$684 billion is just sitting in these accounts at the end of fiscal year 2010. This almost \$700 billion does not include—does not include—accounts for the Department of Defense or Veterans Affairs. We leave them off the table. So my amendment boils down to using about 5 percent of these funds—5 percent.

Additionally, my amendment gives the Office of Management and Budget discretion to decide what programs from which the funds can come. Again, this is not unusual; it has been done before. This approach is better than an across-the-board cut. It allows important programs to be spared any reduction. However, let's face it. This funding has been available all year long—some of it for several fiscal years. If it was important to our Nation, Federal agencies would have spent it now. As a former Cabinet member, I ran one of these agencies.

So there is no basis for the claims about what vital programs this amendment might reduce. Again, I emphasize, this has been done many times before. It is simply 5 percent of the non-security-related funding that was lying dormant in Federal accounts at the end of the year. If we cannot agree to this noncontroversial offset, then the public demand for fiscal responsibility voiced in November has fallen on deaf ears.

In September, when the Senate first voted down my 1099 amendment, the concern was about the source of the offsets. No one argued that we simply did not need to pay for the repeal. No one got up and said: Well, we don't have to pay for this. This was never a part of anyone's argument. Yet that is exactly what the Baucus alternative

amendment proposes. It says to our children and grandchildren: It is too tough for us to find \$19 billion, so we are going to add it to the debt you will have to assume. It is a rejection of fiscal responsibility.

After all the hoopla over pay as you go, the alternative amendment doesn't include a single budgetary offset to cover costs. The amendment simply says: Let our kids and our grandkids sort it out on top of the \$14 trillion of debt we are leaving them. That is unfortunate. If we can't come together to agree on a few billion dollars in budget constraint, how do we ever hope to address the \$14 trillion national debt?

Any Senator who votes for the Baucus amendment is sending a clear message to his or her constituents that fiscal responsibility is not a priority. Any claim otherwise truly does ring hollow.

So I urge my colleagues to oppose the Baucus alternative and vote for the Johannis amendment. It will be a vote to protect our job creators and the prosperity of our children and grandchildren. We simply cannot keep kicking the fiscal responsibility can down the road.

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

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

The legislative clerk proceeded to call the roll.

Ms. MIKULSKI. 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.

Ms. MIKULSKI. Mr. President, I ask unanimous consent to speak for up to 15 minutes.

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

CONGRESSIONALLY DESIGNATED PROJECTS

Ms. MIKULSKI. Mr. President, I rise today to talk about my opposition to an amendment that is going to be offered by the Senator from Oklahoma to eliminate congressionally designated projects.

For me, the job has always been about the people, and the best ideas do come from the people. As I have traveled around the State of Maryland, whether to worksites or roundtables or unfettered, uncensored conversations in diners, I listen to the people. What they tell me is that they are mad at Washington because when all is said and done, more gets said than gets done. Families are stretched and stressed, and they want a government that is on their side. They want a strong economy, a safer country, and a government that is as frugal and thrifty as they are. People want us to focus on a constitutionally based government.

I support the people because I feel the same way. I do think we have to