Mr. WHITEHOUSE. Madam President, I see my distinguished friend, the Senator from Wyoming, on the floor, and I would like to make a few remarks about the Social Security COLA.

The ACTING PRESIDENT pro tempore. There is no time remaining with the majority at this moment.

Mr. WHITEHOUSE. Madam President, I ask unanimous consent to speak as in morning business for 10 minutes.

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

EMERGENCY SENIOR CITIZENS RELIEF ACT

Mr. WHITEHOUSE. I thank the Chair.

At the end of my remarks, I will propound a unanimous consent request that the minority party is aware is coming.

I travel around my State pretty often, and when I do, I hear a lot in Rhode Island about the sacrifices people have had to make during what are, for our State, still very difficult economic times. We are still over 11 percent unemployment. Many of my constituents have adjusted to this difficult economic climate by cutting back on extras and finding savings in their personal lives wherever they can. But for our seniors—Rhode Island has a very large population of seniors—who live on a limited budget, simply cutting back is a very harsh option for them.

In 2008, Rhode Island seniors on Social Security received an average monthly payment of about $1,130. Madam Present, $1,130 a month is not a lot to live on, particularly in the Northeast. I have heard from seniors who worry about keeping the heat on in their homes because oil prices are so high. I have heard from seniors who have to split pills or skip doses because their prescription costs are so high. And I am hearing this from people who have worked hard all their lives, who paid into the system throughout their careers and who believed they would be able to grow old comfortably. Instead, many of them are really just scraping by on their Social Security benefits, and the benefits often no longer cover their daily living expenses. So for people in this situation, every penny counts.

This past year, for the first time since 1975, Social Security recipients in Rhode Island, in New York, and elsewhere did not receive a cost-of-living adjustment, or COLA, and it appears they will not receive a cost-of-living adjustment in 2011 either. These yearly adjustments are dictated by a specific formula that is tied to inflation. I know that because of the slow economy, inflation has been stagnant over the past 2 years. So the rigid mathematical formula that drives the cost-of-living adjustment does not presently provide for the cost-of-living adjustment seniors need.

This is a misfire in the cost-of-living calculation because it is based on a market basket that includes things seniors don't buy a lot of and it doesn't put adequate weight on heat and oil and energy, prescriptions and medical devices, and things on which seniors do spend a lot of money. It also overlooks people such as Chuck, who is a 67-year-old retiree from North Providence, RI, who wrote to me recently to express his concern that his monthly Social Security income will be frozen at its current level for yet another year. He wrote that regardless of what the COLA formula concludes, his cost of living continues to rise. Chuck says:

> Prices have risen at the supermarkets. Medications have also increased in copayments. Today, I am paying more and getting less for the dollar.

I believe Chuck speaks for many American seniors when he expresses concern about the lack of an increase in Social Security payments. So today I rise in support of the Emergency Senior Citizens Relief Act, introduced by my colleague, Senator SANDERS of Vermont. This bill would help ease the strain on the budgets of our seniors by providing a special one-time payment in 2011 of $250 to all Social Security recipients. In effect, it would be a COLA replacement. Although a $250 COLA replacement may not sound like much money, for those on a limited budget, the extra financial assistance provides a little extra peace of mind amid skyrocketing health care and prescription drug costs. And for seniors in New England, the payment could help keep the heat on through the approaching winter.

This assistance would not be unprecedented. While this was the first year in decades that seniors did not receive a COLA, we have taken steps in recent years to provide special help to seniors and to disabled Americans struggling through this recession. In 2008, I worked very hard with my colleagues to secure a $300 rebate for seniors and SSDI recipients in that year's economic stimulus act. In 2009, we again worked to make sure the American Recovery and Reinvestment Act included a one-time $250 payment to seniors and SSDI recipients. We now have a chance to once again lend that helping hand to our seniors.

Passing this bill would be the right thing to do for seniors, obviously, but it is also a good thing to do for our struggling economy. In Rhode Island, for example, the payments would inject more than $51 million into our economy—money that would quickly be spent on essential items such as food and medicine.

As I said at the beginning, Rhode Island is hurting. Unemployment stands at 11.4 percent, gas is now more than $3 per gallon, and our seniors face yet another year of frozen Social Security payments. By passing this Emergency Senior Citizens Relief Act, we can show our seniors that they are not forgotten and in turn provide a valuable boost to the local grocery stores, pharmacies, and shopping centers that remain such an integral part of our local economy.

I urge my colleagues to join me in standing by our Nation's seniors and to support the Emergency Senior Citizens Relief Act.

In that regard, I ask unanimous consent that the Finance Committee be discharged of S. 3976, which is the Emergency Senior Citizens Relief Act of 2010 that I have been discussing; that the Senate proceed to its immediate consideration; that there be 4 hours of debate with respect to the bill divided and controlled by Senator SANDERS and the Republican leader or his designee, and that no amendments or motions be in order during the pendency of this agreement; that upon use or yielding back of time the bill be read a third time, and the Senate proceed to vote on passage of the bill.

The ACTING PRESIDENT pro tempore. Is there objection? The Senator from Wyoming.

Mr. BARRASSO. Madam President, reserving the right to object, would the Senator agree to include an amendment that would offset the cost of the bill with unspent Federal funds, the text of which I have at the desk?

Mr. WHITEHOUSE. I am happy to discuss with colleagues on the other side how this can be paid for, but I cannot help but note that colleagues on the other side do not share their concern for the payment and pay-go side of the equation when it comes to the tax cuts for people making many millions of dollars a year whom we are trying to get exempted as we try to get tax relief for the middle class.

It would be hard for me to hold seniors getting a $250 one-time benefit in a year in which the COLA formula has misfired and they are getting no COLA benefit despite their other costs going up, and at the same time be asked to agree to hundreds of thousands of dollars per millionaire, in some cases, in tax relief that is not paid for. I think, if anything, the seniors should be held to a lower standard than multimillionaires for whom the tax benefit would amount to potentially hundreds of thousands of dollars.

I appreciate my colleague's very legitimate concern about the cost this would incur. I submit we are still, at least in my State, in a stage in the recovery where we continue to need to revive the economy. This will be very beneficial to the country in terms of its economic recovery, and it would be unfair to hold seniors to a different standard for this $250 COLA, a harsher standard than we would hold our millionaires to, for hundreds of thousands of dollars in tax relief. So I stand by the request as propounded in the unanimous consent.

The ACTING PRESIDENT pro tempore. Is there objection?

Mr. BARRASSO. Madam President, reserving the right to object, I note on the front page of USA Today ''Jobless Data could Break '80s RECORD.''

Not since the early 1980s has the nation's unemployment rate been so grim for so long, a government report due Friday is likely to show.

It goes on to say:

The chronic level of high unemployment shows that many Americans are still suffering, even though [the government], the National Bureau of Economic Research, has said the recession officially ended in June 2009.

The people in this country know what is happening in their own communities and their own States and do not need to be told different things by the government when they know the reality in which they are living.

I heard from my distinguished colleague some concerns we all share about the economy and what best way to stimulate economic growth. I believe, with Members on my side of the aisle, that one of the things you do is you don't raise taxes on anyone in this country during these economic times. We are unanimous on this side of the aisle in that position.

But listening to my colleague, there are now actually a growing chorus of Members from his side of the aisle who are agreeing with me, including the two newest Members of the Senate from the other side of the aisle who have come here, the distinguished Senator from West Virginia and the one from Delaware. The one from West Virginia, while running for the Senate, said, ''I wouldn't raise any taxes,'' referring to the tax cuts that are scheduled to expire come the end of this year. The Senator-elect and newly sworn in Senator from Delaware, in terms of tax cuts, said, ''I would extend them for everyone.''

So there is a growing chorus on the ways to give this economy and the job-creating segment of this economy some certainty so they can then make the investments, make the decisions, hire the people to try to do that.

We are unanimous in our support for not raising taxes on anyone during economic times like this and, with that growing chorus, then, as a result, I object.

Mr. WHITEHOUSE. I appreciate the objections of the Senator.

The ACTING PRESIDENT pro tempore. Objection is heard.

Mr. WHITEHOUSE. I would respond by saying that even if we assume that the right answer at this point is to continue a massive tax cut for people who make—I think it was most recently reported that the 400 biggest income earners in the country earned an average, each, of $344 million, a third of $1 billion each. So the tax cuts for people like that create a very significant cost to the country.

I understand it is the theory of the Senator that this is to our economic benefit. But, clearly, there is a very high cost in our deficit to going down that path.

My motivation in offering this unanimous consent is that our seniors, who will spend the $250 one-time payment virtually immediately—which every economist I have ever seen who discusses the economic stimulus effect of these different types of expenditure agrees would be far more beneficial if it were the $250 payment on behalf of seniors than it would be when these highest end people get these massive tax refunds and benefits—that it would be fair to treat seniors the same way.

I regret that we face this objection. I think the objection is inconsistent in the sense that the Senator is holding, with this objection, seniors to a higher standard, a harsher standard, than he is holding millionaires and billionaires to. Everybody knows about the marginal utility of money. For a senior on a fixed income, $250 extra at the end of the year, Christmas time, whether it means keeping the house warm, affording their prescription drug payments, being able to set a little money aside for presents for their grandchildren—that is very important funding, and not just from a humanitarian point of view. From an economic point of view it means it gets plowed right back into the local economy—the local toy store, the local grocery store, the local pharmacy. It gets put right back to work. I don't know what happens when somebody making $334 million a year gets a $1 million tax break.

The ACTING PRESIDENT pro tempore. The Senator has consumed his time.

Mr. WHITEHOUSE. In that case, I yield the floor and thank the Presiding Officer for her courtesy.

The ACTING PRESIDENT pro tempore. The Senator from Wyoming.

Mr. BARRASSO. Madam President, in response to my colleague from Rhode Island, despite over a $13 trillion existing debt that we cannot pay back, the Democrats are back with another proposal to add another $13 billion to the deficit, add it to the growing deficit. This one is not even a new proposal, it is a proposal that was already rejected by 50 Senators, including 11 Members from across the aisle a number of months ago.

If we are going to attempt to help those seniors, as has been mentioned by my colleague, we need to do it in a fiscally responsible way.

I absolutely support helping the seniors who are having a hard time. I just propose we pay for it. That is why I offered the amendment to the proposal from the Senator from Rhode Island that would, in fact, just pay for it. It is as simple as that. I propose that instead of piling money, debt on top of our massive debt, what I have offered is an amendment that would authorize the Office of Management and Budget to cut an appropriate amount from other programs to help them find money to pay for this one.

Mr. WHITEHOUSE. Will the Senator yield for a question?

Mr. BARRASSO. Yes, Madam President.

Mr. WHITEHOUSE. A question, through the Chair: Would the Senator explain why it is that when it comes to the deficit it is more important to protect our national debt than it is to help our seniors, but it is less important to help our deficit and our debt than it is to give tax breaks to multi-multi-millionaires?

As I said, the 400 highest income earners the IRS has reported earning more than a third of $1 billion each on average, it would strike me that the deficit and the debt is a matter of national concern that should apply equally to millionaires—I mean multi-super-ultra-hyper-millionaires—than it is to seniors struggling to get by on Social Security. I don't understand why the deficit matters so much when it comes to depriving our seniors of a COLA adjustment, but it doesn't appear to matter at all when it comes to providing the very wealthiest Americans—people who have their own jets, have their own yachts, people who have, you know, seven homes—additional tax relief that most billionaires who have come forward in this matter say they don't want or need; that it is unpatriotic, frankly, from their perspective not to be asked to contribute more.

Mr. BARRASSO. Madam President, the way that I propose to pay for this to help those seniors, to help those who have those needs, is a proposal that is very familiar to this body. It is because 21 of my Democratic colleagues voted in favor of this way to pay for something earlier this week when the same pay-for was attached to an amendment from my colleague, Senator JOHANNS from Nebraska, that would have repealed an unfortunate paperwork mandate in the health care law.

I would be happy to list all of the Senators who voted for this. I am sorry my friend across the aisle is not joining me in supporting this fiscally responsible support for our seniors. But, as I say, on the issue of stimulating the economy and giving some certainty in this Nation to those job creators, the Republicans are united: 42 of us say you should not raise taxes on anyone during economic times like these, and the chorus of Democrats who support that continues to grow. It grew this past week from five members of the Democratic conference to seven with the swearing in of Senator COONS of Delaware and Senator MANCHIN of West Virginia.

Senator KENT CONRAD from North Dakota has said:

The general rule of thumb is that you do not raise taxes or cut spending during an economic downturn. That would be counterproductive.

So he says do not raise taxes during an economic downturn.

Senator EVAN BAYH said:

The economy is very weak right now. Raising taxes will lower consumer demand at a time when we want people putting more money into the economy.

Senator JIM WEBB, Democrat from Virginia, said: ''I don't think they ought to be drawing a distinction . . . '' at a certain dollar number.

Senator BEN NELSON from Nebraska said:

I support extending all of the expiring tax cuts until Nebraska's and the nation's economy is in better shape, and perhaps longer, because raising taxes in a weak economy could impair recovery.

Senator JOE LIEBERMAN, Connecticut, said:

I don't think it makes sense to raise any Federal taxes during the uncertain economy we are struggling through.

Then, of course, Senator COONS: ''I would extend them to tax cuts for everyone.''

And Senator MANCHIN, then-Governor of West Virginia, said, ''I wouldn't raise any taxes.''

At a time with 9.6 percent unemployment, at a time when our Nation continues to struggle economically, at a time people are looking for work, wanting to work, looking for jobs, the job-creating sector of this country needs some certainty. With the mandates of the health care law, which are expensive, environmental mandates coming from the Environmental Protection Agency with their rules and regulations impacting on the cost of energy, and then the uncertainty, the significant uncertainty that exists in this country as to what tax rates will be and how that is going to impact all taxpayers with their take-home pay come January 1, it is no surprise that people are concerned and reluctant to make long-term commitments and investments in businesses and in the future.

That is why I stand here to object to my colleague from Rhode Island when he makes a proposal, which there is support for, but it is unpaid for. We need to pay for it. I bring to the Senate floor a responsible way in which to pay for it, and which he has rejected.

I yield the floor.

The ACTING PRESIDENT pro tempore. The Senator from North Dakota.

Mr. DORGAN. Madam President, are we in a period of morning business?

The ACTING PRESIDENT pro tempore. We are still in morning business. However, the time remaining, 10 minutes remaining, is controlled by the minority.

Mr. DORGAN. In that case I would yield to the minority to use the 10 minutes, and I will be seeking recognition following them.

The ACTING PRESIDENT pro tempore. The Senator from Iowa.

ETHANOL TAX CREDIT

Mr. GRASSLEY. Madam President, it seems as though every few weeks or so there are a lot of misleading and misinformed accusations launched at our Nation's renewable fuel producers. It is impossible to come to the Senate floor to respond to all of them. But sometimes the claims are so outrageous that they require an informed response. So I am here to give that response with emphasis on the word ''informed.''

Earlier this week, a number of my colleagues in the Senate, including a few of my fellow Republicans, sent a letter to the majority and minority leaders expressing their opposition to extending the tax incentives for homegrown ethanol. Homegrown means we are less dependent upon people such as Dictator Chavez and our oil sheiks.

My colleagues argued that the tax incentive for the production of clean, homegrown ethanol is fiscally irresponsible. They expressed their support for allowing the 45-cent-per-gallon credit for ethanol use to expire. It is important to remember that the incentive exists to help the producers of ethanol compete with the big oil industry. Remember, the big oil industry has been well supported by the Federal Treasury for more than a whole century.

Many of the Republican Senators who signed onto that letter have also been leading the effort to ensure that no American sees their taxes go up on January 1, 2011, which will happen automatically if we do not do something this very month.

The largest tax increase in the history of the country can happen without even a vote of Congress because of the sunsetting law. Of course, in that regard, I support the position of my Republican colleagues. But a repeal of the ethanol tax incentive is a tax increase that will surely be passed on to the American consumer.

I would like to remind my colleagues of a debate that we had earlier this year on an amendment offered by Senator SANDERS. The amendment he offered would have, among other things, repealed the $35 billion in tax subsidies enjoyed by oil and gas. Opponents of the Sanders amendment argued that repealing the oil and gas subsidies would reduce domestic energy production and drive up our dependance on foreign oil.

Opponents of the Sanders amendment argued that it would cost U.S. jobs and increase prices at the pump for consumers. I agreed with the arguments of the opponents. All of my Republican colleagues and more than one-third of the Democrats did as well. Thus, the Sanders amendment was defeated. That majority against the Sanders amendment knew that if we tax something we get less of it. Repealing incentives on ethanol would have the very same result.

Well, guess what. I know removing incentives for oil and gas will have the same impact as removing incentives for ethanol. We will get less domestically produced ethanol and be more dependent upon those oil sheiks. But it will also cost U.S. jobs. It will increase our dependence on foreign oil. It will increase prices at the pump for American consumers. So whether it is jobs or increased dependence or increasing the price of gas, no American would like that to be the result. We are already dependent on foreign sources for more than 60 percent of our oil needs. We spend $730 million a day on imported oil.

That money is leaving America to the Middle East or nutty dictators like Chavez. Why do my colleagues want to increase our foreign energy dependence when we can produce that energy right here at home?

So I would like to ask my colleagues who voted against repealing the oil and gas subsidies but are supporting repealing incentives for renewable fuels, how do you reconcile such inconsistencies? The fact is, it is intellectually inconsistent to say increasing taxes on ethanol is justified, but it is irresponsible to do so on oil and gas production.

If tax incentives lead to more domestic energy production and result in good-paying jobs, why are only incentives for oil and gas important but not for domestically produced renewable fuels? It is even more ridiculous to claim that the 30-year-old ethanol industry is mature and thus no longer needs the support they get, while the century-old big oil industry still receives $35 billion in taxpayer support.

Regardless, I do not believe we should be raising taxes on any type of energy production or on any individual, particularly during a recession. Allowing the ethanol tax incentive to expire will raise taxes on producers, blenders, and ultimately consumers of renewable fuel. A lapse in the ethanol tax incentive is a gas tax increase of over 5 cents a gallon at the pump. I do not see the logic in arguing for a gas tax increase when we have so many Americans unemployed or underemployed and struggling just to get by.

On Tuesday of this week all of my Republican colleagues and I signed a letter to Majority Leader REID stating that preventing a tax increase, meaning mostly income-tax increases, and providing economic certainty should be our top priority in the remaining days of this Congress. I know we all agree we cannot and should not allow job-killing tax hikes during a recession.

Unfortunately, those Members who have called for ending the ethanol incentive have directly contradicted this pledge because a lapse in the credit will raise taxes costing over 100,000 U.S. jobs at a time of near 10 percent unemployment. The taxpayer watchdog group, Americans for Tax Reform, considers the lapse of an existing tax credit for ethanol to be a tax hike.

Now is not the time to impose a gas tax hike on the American people. Now is not the time to send pink slips to more than 100,000 ethanol-related jobs. A year ago at this time I came to the Senate floor to implore the Democratic leadership to take action on extending expiring tax incentives for the biodiesel industry. They failed in their responsibility to extend that incentive and provide support for an important renewable industry.

So while 23,000 American jobs were supported on December 31 last year, nearly all of those jobs have disappeared. An industry with a capacity to produce more than 2 billion gallons of renewable fuel a year is on track to produce less than 20 percent of that capacity this year.

Ethanol currently accounts for 10 percent of our transportation fuel. A