

ago, now is not the time to lose focus on the paramount issue on the minds of Americans every day, and that is the very real crisis we face when it comes to jobs.

Americans look around them and they see neighbors and friends struggling to find work. Yet all they seem to get from the White House are policies that handcuff small businesses with burdensome new regulations and red-tape and that create even more uncertainty about the future, including the administration's inexplicable and inexcusable inaction on trade deals that would level the playing field with our competitors overseas.

They are tired of it. Americans are tired of the White House paying lip-service to their struggles while quietly promoting effort after effort, either through legislation or some backdoor regulation, that makes it harder, not easier, for businesses to create new jobs. But the administration outdid itself last week, when the President told a Brazilian President the United States hopes to be a major customer in the market for oil that Brazilian businesses plan to extract from new oil finds off the Brazilian coast.

We can't make this stuff up. Here we have the administration looking for just about any excuse it can find to lock up our own energy resources here at home, even as it is applauding another country's efforts to grow its own economy and create jobs by tapping into its energy sources.

For 2 years, the administration has canceled dozens—dozens—of oil and gas leases all across America. It has raised permit fees. It has shut down deep-water drilling in the gulf. It would not even allow a conversation about exploring for oil in a remote 2,000-acre piece of land in northern Alaska that experts think represents one of our best opportunities for a major oil find. It continues to press for new regulations through the Environmental Protection Agency that would raise energy costs for every business in America and lead to untold lost jobs for more American workers.

In other words, in the midst of average gas prices approaching \$4 a gallon and a chronic jobs crisis, the White House plans to make the climate for job growth worse. That is why Republicans, led in the Senate by Senator INHOFE, have proposed legislation to prevent the new energy tax from ever taking effect without congressional approval. The Wall Street Journal has called the amendment we are proposing "one of the best proposals for growth and job creation to make it onto the Senate docket in years."

Our amendment would assure small businesses across the country that they will not be hit with yet another costly new job-stifling burden by Democrats in Washington. It will give voters the assurance that a regulation of this kind, which would have a dramatic impact on so many, could not be approved without their elected representatives

standing and actually voting for it. At a time of rising energy prices, it would prevent Democrats in Washington from adding even more pressure to energy prices than they already have out of fealty to special interests that would rather we buy our energy from overseas than find and use the bountiful resources we already have right here at home.

I wish to thank Senator INHOFE, once again, for leading us on this issue. His bill, upon which my amendment is based, has 43 cosponsors. He deserves the credit. He has been a fierce and tireless advocate not only for American energy but also against new EPA regulations that would sidestep the legislative process. I thank him for his work, along with the great work Senators MURKOWSKI and BARRASSO have done, in educating the American people about these issues.

At a time when Americans are looking for answers on the economy, this amendment is as good as it gets from Washington. By voting for it, we would be saying no to more regulations and redtape and we would be saying yes to American job creators and to the jobs they want to create. I urge my colleagues in both parties to support it.

RESERVATION OF LEADER TIME

The ACTING PRESIDENT pro tempore. Under the previous order, the leadership time is reserved.

MORNING BUSINESS

The ACTING PRESIDENT pro tempore. Under the previous order, the Senate will be in a period of morning business for 1 hour, with Senators permitted to speak therein for up to 10 minutes each, with the time equally divided and controlled between the two leaders or their designees, with the majority controlling the first half and the Republicans controlling the final half.

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

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

The legislative clerk proceeded to call the roll.

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

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

BUDGET NEGOTIATIONS

Mr. SCHUMER. Madam President, I rise to speak on the current state of partisan budget negotiations.

For weeks now, the offices of the Senate majority leader, the House Speaker, and the White House have been engaged in serious talks seeking a long-term budget agreement. It has been a long hard process. There have been a lot of fits and starts in the negotiations. But it is no exaggeration to

say that as of last week talks were on a smooth path toward a compromise. The Speaker's office was negotiating in good faith. The parties significantly narrowed the \$51 billion gap on how much spending should be cut. House Republican leaders had agreed to come down from H.R. 1 and meet us halfway. We could begin to see light at the end of the tunnel.

But suddenly, at the end of last week, House Republicans did a strange thing: They pulled back from the talks. They changed their minds about what level of spending cuts they could accept. We were on the verge of a potential breakthrough, and they suddenly moved the goalposts. We felt a little bit like we were left at the altar. Not only did they abandon the talks, they started denying that they were ever close to a deal in the first place. Majority Leader CANTOR issued a statement Friday saying that reports that progress was being made were "far-fetched." It was as if they decided that even the appearance of a looming compromise was a political liability. It was surreal.

It is no surprise what happened. The headline of today's story in the National Journal says it all:

With Revolt Brewing, GOP Backs Off Deal.

Let me repeat that because that is really what is going on here and the news of the day in the last few days:

With Revolt Brewing, GOP Backs Off Deal.

The story reads:

Concerned about a revolt by the conservative, tea party-wing of the party, GOP leaders have pulled back from a tentative deal to cut roughly \$30 billion in cuts from current spending levels. The influence that tea-party conservatives now exercise over the process put the chances of a compromise seriously in doubt.

The story continues:

The GOP pulled back from that agreement last week after House Majority Leader Eric Cantor, R-Va., and Majority Whip Kevin McCarthy, R-Calif., warned House Speaker John Boehner, R-Ohio, that the deal would trigger a revolt from tea-party conservatives.

In other words, as soon as House Republican leaders took one step toward compromise, the tea party rebelled, so they took two steps back.

The National Journal story describes an offer that was put on the table by the White House that would have met House Republicans halfway. The offer falls squarely in the ballpark of Congressman RYAN's original budget proposal with roughly \$70 billion in spending cuts compared to the President's budget request. This is a significant move in the Republicans' direction. These are more cuts than many on our side might support, but it shows how seriously the White House is about wanting a compromise to avert a shutdown. If they are planning to reject such an offer, it is clear they won't take "yes" for an answer and are seeking a shutdown. The Republican leadership in the House, with the tea party breathing down their back, won't take

“yes” for an answer and won’t support the original proposal made by Budget Chairman RYAN of roughly \$70 billion in spending cuts. We know Congressman RYAN is hardly a liberal or a moderate. It shows how far to the right the Republican leadership is being forced to move by the tea party.

This level of spending cuts was good enough for House Republicans earlier this year when HAL ROGERS released his original proposal. But the tea party hollered, and House Republicans were forced to double their proposed spending cuts to an extreme level of \$61 billion. When that happened, HAL ROGERS said the House was moving beyond what was reasonable and into territory where they could never get a deal. TOM LATHAM of Iowa agreed that in forcing H.R. 1 to go from \$30 billion to \$60 billion in cuts, the tea party was forcing Republicans to go beyond what was “enactable.” These are conservative Republicans saying that the present House proposal is not enactable, cannot pass. Just as the tea party forced mainstream Republicans into extreme territory before, they are doing so again. Anyone who looks at this objectively sees that is what is happening.

The Speaker has said all along that he wants to avoid a shutdown at all costs. I believe him. He is a good man. The problem is, a large percentage of those in his party don’t feel the same way. They think “compromise” is a dirty word. They think taking any steps to avert a shutdown would mean being the first to blink. So Speaker BOEHNER is caught between a shutdown and a hard place. He has caught a tiger by the tail in the form of the tea party. There is even a tea party rally planned for later this week to pressure the Speaker not to budge off H.R. 1.

To try to mask the divisions on their own side, Republicans have resorted to lashing out in a knee-jerk way at Democrats. Their latest trick is trying to accuse Democrats of not having our own plan. That is a diversion. It rings hollow. The only proposals that have been made that would actually avoid a government shutdown are numerous compromises that Democrats have offered Republicans.

I would like to remind my House friends, as they all know, the Senate needs 60 votes to pass a bill. We can’t pass anything without Republican agreement. Yet our Senate Republican colleagues are nowhere to be found. Since the Senate rejected the Republican job-killing budget proposal that would cost Americans 700,000 jobs a month ago, Republicans have not moved an inch off their plan.

Speaker BOEHNER knows, when it comes to averting a government shutdown on April 8, it is the tea party, not the Democrats, that is causing the trouble. At this point, the only hurdle left to a bipartisan deal, the only obstacle in the way is the tea party. But for the tea party, we could have an agreement that reduces spending by a historic amount. We could have a deal that keeps the government open.

A tea party rebellion may hurt House Republican leadership politically, but a shutdown will hurt Americans, all Americans, much more. It is time for House Republican leaders to rip off the bandaid. Mr. Speaker, it is time to forget the tea party and take the deal. There are only 10 days left before the current CR expires. There is no new stopgap being prepared by House Republicans. It seems the only viable proposal is the one the Speaker walked away from. So the Speaker faces a choice: Return to the deal he was prepared to accept before the tea party rebelled last week or risk a shutdown on April 8. I think we know what the right answer is. It is clear. The Speaker has a choice: Appease the tea party and shut down the government or take the right and principled stand and move the government forward by coming to a reasonable compromise between both parties that cuts the budget significantly.

I yield the floor.

The ACTING PRESIDENT pro tempore. The Senator from Nebraska.

REPEAL OF 1099

Mr. JOHANNES. Madam President, it feels a bit like *deja vu* standing here today discussing the ongoing saga of the 1099 repeal. Two weeks ago, I offered amendment No. 161 to the small business bill.

If we read all the press releases and the public statements, it appears that absolutely nobody could possibly oppose repeal of the 1099 requirement in section 9006 of the health care bill. Yet once again the other side is attempting to delay or derail the 1099 repeal by offering a second-degree amendment. I might have been open to a second-degree amendment when we started this process many long months ago. But now we are approaching the 1-year anniversary since we began fighting to repeal this unnecessary mandate. It had no place in the health care bill in the first place.

I can’t help but question why on Earth we are still swinging and missing at this one. Is it a lack of support in my caucus? The answer to that is no. Support amongst Republicans is absolutely unanimous. Lack of Republican support certainly has not held this up.

I ask myself if there is a lack of bipartisan support that is holding up the effort. The answer to that is also no. My colleague, the junior Senator from West Virginia, has cosponsored the last several versions of this repeal legislation in the Senate. Together, Senator MANCHIN and I have secured dozens of Democrats who strongly support the repeal, and 76 Democrats voted for identical 1099 repeal in the House of Representatives. Bipartisan support is enormously, if not unusually, strong.

Might our problem be a lack of support from the White House? The answer to that is also no. The President has publicly called for repeal of this 1099 mandate on several occasions in press

conferences. He even referenced it in his State of the Union Address.

Is it possible there is still confusion about how our small businesses feel about the mandate? That is not the case. The chorus of job creators opposing this mandate is almost deafening: the chamber of commerce, the National Federation of Independent Business, the American Farm Bureau Federation. I could go on and on listing organizations arguing for its repeal.

Has it been a controversial pay-for that has slowed down progress? Interestingly enough, an almost identical budgetary offset passed this Chamber unanimously only 4 months ago. Requiring someone to repay what was given to them erroneously is, plain and simple, good government.

Even Secretary of Health and Human Services Sebelius noted that repayment of improper subsidies is “fair for recipients and all taxpayers.” So arguments about the pay-for simply are hollow excuses to justify inaction.

Our job creators are seeing it for what it really is. It is more nonsense. It astounds me that we can seemingly pass benchmark after benchmark without going over the finish line. How can we make so much important progress only to be stymied again and again by some silent opposition?

My friends across the aisle have often complained about the slow pace of the Senate. They have blamed the other side of the aisle for preventing progress. Well, my side of the aisle has been ready for a long time to repeal this job-killing mandate. I want you to know we stand ready to vote.

Considering the high unemployment rates plaguing our country, it seems absolutely incomprehensible that we would waste even another day without addressing this mandate in the health care bill. Our job creators have watched dueling amendments and proposals and counterproposals. Well, that has gone on for 1 year.

I first circulated a Dear Colleague letter asking for cosponsors of this 1099 repeal in June of last year. When we introduced it in July, with 25 cosponsors, well, small businesses cheered. It gave them hope common sense would prevail in Congress and that partisanship is sometimes set aside to simply do the right thing.

But now they see there is yet again a delay tactic in the form of a second-degree amendment to the 1099 repeal. They have been frustrated time and time again—when it failed to advance in September and November and appeared stalled well into the new year.

Today, we have a simple choice: We can pass my amendment with strong bipartisan support and demonstrate we have the 60 votes necessary for the House version or we can pass the second-degree amendment and push this repeal off into limbo into Never Never Land yet again. We can actually fix the problem in a bipartisan way or we can continue to kick this can down the road.