We have 64 Senators who have written the President to say we are ready to go to work on reducing the debt on the whole budget. We have a proposal from Congressman RYAN. We have a proposal from the Bowles commission. We are ready to go to work. The House of Representatives has made a proposal to, for the time being, continue the government while we work on that, and that is eminently reasonable.

I ask unanimous consent to have printed in the RECORD a Wall Street Journal op-ed from April 4 by Gary Becker, George Shultz, and John Taylor that points out that the numbers in the House of Representatives proposal would have the Federal Government spend for the rest of the year basically what we spent in 2008, plus an allowance for inflation. There is no reason, the authors say, why government agencies, from Treasury and Commerce to the executive office of the President, cannot get by with the same amount of funding they spent in 2008 plus increases for inflation. This would be a reasonable first step as we get to the larger issue of how we reduce the debt over a longer period.

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

[From the Wall Street Journal, Apr. 4, 2011]

TIME FOR A BUDGET GAME-CHANGER

Assurance that current tax levels will remain in place would provide an immediate stimulus.

House Republican budget planners are on the right track.

(By Gary S. Becker, George P. Shultz and John B. Taylor)

Wanted: A strategy for economic growth, full employment, and deficit reduction—all without inflation. Experience shows how to get there. Credible actions that reduce the rapid growth of federal spending and debt will raise economic growth and lower the unemployment rate. Higher private investment, not more government purchases, is the surest way to increase prosperity.

When private investment is high, unemployment is low. In 2006, investment—business fixed investment plus residential investment—as a share of GDP was high, at 17%, and unemployment was low, at 5%. By 2010 private investment as a share of GDP was down to 12%, and unemployment was up to more than 9%. In the year 2000, investment as a share of GDP was 17% while unemployment averaged around 4%. This is a regular pattern.

In contrast, higher government spending is not associated with lower unemployment. For example, when government purchases of goods and services came down as a share of GDP in the 1990s, unemployment didn't rise. In fact it fell, and the higher level of government purchases as a share of GDP since 2000 has clearly not been associated with lower unemployment.

To the extent that government spending crowds out job-creating private investment, it can actually worsen unemployment. Indeed, extensive government efforts to stimulate the economy and reduce joblessness by spending more have failed to reduce joblessness.

Above all, the federal government needs a credible and transparent budget strategy. It's time for a game-changer—a budget action that will stop the recent discretionary spending binge before it gets entrenched in government agencies.

Second, we need to lay out a path for total federal government spending growth for next year and later years that will gradually bring spending into balance with the amount of tax revenues generated in later years by the current tax system. Assurance that the current tax system will remain in place—pending genuine reform in corporate and personal income taxes—will be an immediate stimulus.

All this must be accompanied by an accurate and simple explanation of how the strategy will increase economic growth, an explanation that will counteract scare stories and also allow people outside of government to start making plans, including business plans, to invest and hire. In this respect the budget strategy should be seen in the context of a larger pro-growth, pro-employment government reform strategy.

We can see such a sensible budget strategy starting to emerge. The first step of the strategy is largely being addressed by the House budget plan for 2011, or H.R. 1. Though voted down in its entirety by the Senate, it is now being split up into ''continuing'' resolutions that add up to the same spending levels.

To see how H.R. 1 works, note that discretionary appropriations other than for defense and homeland security were $460.1 billion in 2010, a sharp 22% increase over the $378.4 billion a mere three years ago. H.R. 1 reverses this bulge by bringing these appropriations to $394.5 billion, which is 4% higher than in 2008. Spending growth is greatly reduced under H.R. 1, but it is still enough to cover inflation over those three years.

There is no reason why government agencies—from Treasury and Commerce to the Executive Office of the President—cannot get by with the same amount of funding they had in 2008 plus increases for inflation. Anything less than H.R. 1 would not represent a credible first step. Changes in budget authority convert to government outlays slowly. According to the Congressional Budget Office, outlays will only be $19 billion less in 2011 with H.R. 1, meaning it would take spending to 24% of GDP in 2011 from 24.1% today.

If H.R. 1 is the first step of the strategy, then the second step could come in the form of the budget resolution for 2012 also coming out of the House. We do not know what this will look like, but it is likely to entail a gradual reduction in spending as a share of GDP that would, in a reasonable number of years, lead to a balanced budget without tax rate increases.

To make the path credible, the budget resolution should include instructions to the appropriations subcommittees elaborating changes in government programs that will make the spending goals a reality. These instructions must include a requirement for reforms of the Social Security and health-care systems.

Health-care reform is particularly difficult politically, although absolutely necessary to get long-term government spending under control. This is not the place to go into various ways to make the health-care delivery system cheaper and at the same time much more effective in promoting health. However, it is absolutely essential to make wholesale changes in ObamaCare, and many of its approaches to health reform.

The nearby chart shows an example of a path that brings total federal outlays relative to GDP back to the level of 2007—19.5%. One line shows outlays as a share of GDP under the CBO baseline released on March 18. The other shows the spending path starting with H.R. 1 in 2011. With H.R. 1 federal outlays grow at 2.7% per year from 2010 to 2021 in nominal terms, while nominal GDP is expected to grow by 4.6% per year.

Faster GDP growth will bring a balanced budget more quickly by increasing the growth of tax revenues. Critics will argue that such a budget plan will decrease economic growth and job creation. Some, such as economists at Goldman Sachs and Moody's, have already said that H.R. 1 will lower economic growth by as much as 2% this quarter and the next and cost hundreds of thousands of jobs. But this is highly implausible given the small size of the change in outlays in 2011 under H.R. 1, as shown in the chart. The change in spending is not abrupt, as they claim, but quite gradual.

Those who predict that a gradual and credible plan to lower spending growth will reduce job creation disregard the private investment benefits that come from reducing the threats of higher taxes, higher interest rates and a fiscal crisis. This is the same thinking used to claim that the stimulus package worked. These economic models failed in the 1970s, failed in 2008, and they are still failing.

Control of federal spending and a strategy for ending the deficit will provide assurance that tax rates will not rise—pending tax reform—and that uncontrolled deficits will not recur. This assurance must be the foundation of strategy for a healthy economy.

PRIVATE SECTOR JOB CREATION

Mr. ALEXANDER. Mr. President, last month marked the 1-year anniversary of President Obama signing the health care bill into law. I believe it was an historic mistake. We have talked about the health care law in a variety of ways. One thing we have said is that at a time when our country needs to make it easier and cheaper to create private sector jobs, the health care law makes it harder and more expensive to do so. Someone might ask: How could that happen? This morning I wish to mention a few examples of how it actually is happening, how the health care law actually is making it harder and more expensive to create private sector jobs.

Last September I met with about 35 chief executive officers of chain restaurant companies. According to the Bureau of Labor Statistics, the retail and hospitality industries are the largest employers in the United States, second only to the U.S. Government. Food services and drinking places provide roughly 10 million jobs. Most of these are first-time job seekers and low-income employees—the young and the poor companies that provide a huge number of jobs to low-income Americans.

One of the chief executive officers I met with said his company had been operating with 90 employees on the average, and as a result of the health care law, their goal was to operate with 70 employees. That is fewer jobs. There were many other examples of that around the room.

Many of the attendees are on the National Council of Chain Restaurants. They have significant concerns about the law, and they provided me with specific examples.

One restaurant chain based in Tennessee with worries about the law is a company called Ruby Tuesday. Ruby Tuesday has 24,000 full-time employees and 16,000 part-time employees.

According to Ruby Tuesday, the employer mandate will cost them roughly $47.5 million—$2000 penalty/per employee/minus the first 30 employees—yet their annual net income last year was just over $45 million. In other words, the cost of the health care law to them equals the entire profits of this multibillion dollar company. Ruby Tuesday says as a result, it will have to reduce its workforce by 18 percent in order to hold their profits even. The company will increase the hours for their full-time employees and reduce their overall workforce in order to reduce the number of people for which coverage would be required.

The problem we are talking about is that the new law requires employers who don't provide acceptable coverage to pay a ''fair share'' penalty of $2,000 per full-time employee. A full-time employee is defined as someone who works 30 hours a week instead of 40. We can see that a company such as Ruby Tuesday, with that many employees, would have a big cost, $47.5 million, which equaled its entire profits for the year.

Another restaurant chain, White Castle, is also concerned. It said that according to their internal estimates, the health care law's provision imposing penalties for employer-sponsored health plans, whose costs to the employee exceeds 9.5 percent of that employee's household income, would be particularly punishing. In its present form this provision alone would lead to an approximate increased cost of over 55 percent of what White Castle currently earns in net income. This devastating impact would cut future expansion and job creation by at least half. The impact would be predominantly felt in low-income areas where jobs are most needed.

A representative of the National Retail Federation testified in February about another large chain quick service restaurant—QSR—and its potential job loss. This company preferred to remain anonymous, but the chain estimates that the incremental cost to comply with the new law is $10 to $15,000 annually per affected restaurant which across the entire system could be $50 to $75 million in incremental costs a year. This would wipe out one-third of that system's profits per year, potentially eliminating 10 percent of its stores, which means hundreds of restaurants and the potential elimination of 12,500 jobs.

There was another example, a large franchise system with multiple casual dining restaurant concepts and projects.

They estimated the average cost per restaurant in their system of the new health care law would be $237,000, which equates to a systemwide cost of providing health insurance benefits to full-time employees of almost $806 million per year. If all of this chain's small business franchisee owners elected to pay the employer penalty instead of providing insurance, the cost would be reduced but to just over still $84,000 per restaurant or a savings of $286 million systemwide. So to cope with the increased costs of the health care law, the employers who are restaurant owners—and these are the largest employers in America, they employ the most people in America except for the U.S. Government—are seeing their costs go up and, as a result, there are fewer jobs for Americans.

Republicans believe it would be better to reduce health care costs step by step so more people can afford to buy insurance instead of expanding a system that costs too much, and we will continue to advocate that position.

The important thing to remember about the law—we have heard it said it hurts Medicare, it adds regulations, raises taxes, and individual premiums are going up—is that it makes it harder and more difficult and more expensive to create private sector jobs at a time when our country should be dedicated to making it easier and cheaper to create them.

I yield the floor.

The PRESIDING OFFICER (Mr. BROWN of Ohio). The Senator from Alaska is recognized.

TAX SIMPLIFICATION

Mr. BEGICH. Mr. President, I rise to speak about the Wyden-Coats-Begich bipartisan Tax Fairness Simplification Act. It is that time of the year again, tax time. Across our Nation, small businesses and families are struggling to unravel the annual nightmare of paperwork required to file their taxes. Across our Nation, small businesses and families are struggling. My wife and I are small business owners so I especially understand how burdensome and expensive the Tax Code and filing process can be for folks at this time of year.

This process is costly and burdensome. The IRS estimates that Americans spend 6.1 billion hours each year filling out tax forms and roughly $163 billion each year on tax compliance. Small businesses are the engine and the backbone of our still recovering economy. We should allow them to spend more time doing what they do best—creating jobs and growing the economy—not filling out burdensome paperwork. This is why I have joined my colleagues from both sides of the aisle, Senators WYDEN and COATS, to introduce the bipartisan Tax Fairness and Simplification Act.

Tax reform has been a long priority of mine. I am happy to be moving forward on this important piece of legislation today. In a nutshell, our legislation simplifies the Tax Code and alleviates many of the burdensome paperwork and costly requirements that are bogging down American families and businesses. Our legislation will allow most taxpayers to file their taxes using a straightforward and shortened 1-page 1040 IRS form. This is an example of exactly what it would look like. Also individuals and families will be able to request that the IRS prepare a tax return for them to review, modify, and sign.

The Wyden-Coats-Begich bill reduces the number of tax brackets for individuals from six to three: 15 percent, 25 percent, and 35 percent. It eliminates the alternative minimum tax which forces millions of taxpayers to calculate their taxes twice and pay the higher amount. In order to make capital investments more cost effective for small business owners, the Wyden-Coats-Begich bill will allow 95 percent of small businesses—those with gross receipts of up to a million dollars—to expense all equipment and inventory costs in a single year. These changes may seem simple and commonsense, but they make a world of difference to our middle-class families and small businesses.

Let's talk specifically about small businesses for a second, people who are keeping our economy going, such as my friend John Brower from Anchorage. John owns and operates Alaska Laser Printing in Anchorage. John works tirelessly, 365 days a year, and is proud of the business he built. When new technology is developing in the printing business, it is always bringing on needs for new equipment. This legislation would allow him to expense all those equipment costs and would truly make a world of difference for John and save him thousands and thousands of dollars in taxes.

I am here to speak for the John Browers and the other small businesses all across Alaska and the country. My view is very simple: Let's quit giving tax breaks to multimillion-dollar corporations. Let's close the corporate loopholes and help small businesses such as John Brower's.

Right now we are facing a $14.3 trillion deficit. We are hours away from a potential government shutdown rather than continuing on a path toward long-term economic recovery.

Our new bill actually promotes economic growth because it allows businesses to spend more time growing and less time worrying about the overly burdensome tax system which we all know only enables tax avoidance. As all of us around here know, tax avoidance means outsourcing jobs overseas. Instead, our legislation incentivizes and enables companies to invest in America rather than incentivizing them to invest overseas.

The legislation also promotes responsible retirement savings and investments by expanding tax-free savings opportunities.

The American Dream Account, whether it is for a new home, education for your children, or health care, provides a unique opportunity to invest in the American dream. Families and individuals alike can make contributions to an account that functions much like