

The national AmeriCorps program—a partnership between the Federal Government and local nonprofit communities—was launched with bipartisan support, initially an idea proposed by President Bush and then enacted by President Clinton. The AmeriCorps program is now one which has had a tremendous and far-reaching impact over the last 17 years. It enables 75,000 Americans to serve annually via AmeriCorps with a very wide range of programs—programs where the funding is raised and its focus is directed by State, by State commissions of volunteers, community leaders, who help identify the best and most appropriate, most effective partners for this federally funded program that is also matched one to one with dollars from the local community. So far more than 60 million hours of community service annually has been provided by AmeriCorps members.

In Delaware, voluntarism has a long tradition and a great history, and the volunteer fire service is one of the strongest parts of that long and proud history of our State. There are more than 88 volunteer fire companies in our State. They provide the vast majority of fire suppression services for our communities.

They faced a real problem when I became county executive: a steady loss in membership. As working-class families were under more and more pressure, with both parents working, they were under more stress, more demands, and it became more difficult for people to dedicate the time and energy needed to be trained and to serve as volunteer firefighters, and, in particular, to deliver ambulance service—one of the most important aspects of our volunteer fire service.

So in partnership with our New Castle County Volunteer Firefighters Association, and with the YMCA, and with AmeriCorps, I worked tirelessly to launch a new AmeriCorps program called the Emergency Services Corps.

The Emergency Services Corps helps recruit volunteer firefighters and conducts CPR and first aid training and provides fire awareness training for schoolchildren all across our county. So far they have recruited more than 220 volunteer firefighters and logged more than 108,000 hours of service to our community in the 5 years since it was created as a partnership between all these different entities.

I just thought I would draw attention to that one example today of the hundreds of AmeriCorps programs across our country that I think are a shining example of how the young people of this country—people at all ages across this country—bring their gifts, their talents, and their spirit to volunteering.

In every generation of Americans, heeding the call to service has been the answer to our greatest challenges, and with so many out of work, suffering from hunger or facing homelessness right here in our own country, I think

it is critical we all pitch in to help. It is an affirmation of our bond of citizenship and our compassion for our fellow citizens.

So I would like to encourage everyone in my State to visit the Volunteer Delaware Web site to find service opportunities this week. I am putting a link to it on my Web site at www.coons.senate.gov. For those who happen to be outside Delaware, I hope they will visit www.nationalservice.gov and participate in this National Volunteer Week.

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. NELSON of Florida. Madam 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.

Mr. NELSON of Florida. Madam President, may I be recognized to speak in morning business.

The ACTING PRESIDENT pro tempore. The Senate is in morning business.

MEDICARE

Mr. NELSON of Florida. Madam President, the Paul Ryan/tea party budget of the House of Representatives privatizes Medicare. Let me repeat that. Medicare, the program of medical care for senior citizens that our seniors have come to depend on—the Paul Ryan/tea party budget of the House of Representatives privatizes Medicare.

This is not an empty threat. It is not this Senator's or any other Senator's political interpretation. The budget of the House Republican Budget Committee chairman would end Medicare as we know it. It ends Medicare. It hands seniors' health care over to insurance companies. It would break a sacred contract between workers who paid into the system thinking it would be there for them when they retired. But under this new scheme, senior citizens will not have a Medicare Program anymore. They would have to pick an insurance plan, and a voucher would be given directly to the insurance company.

Under the proposal—I am not making this up—a voucher, paid for by the Federal Government, would be given not to the senior citizen to go shopping, it would be given to the insurance company that they chose. Medicare for senior citizens would be turned over to insurance companies. If this sounds incredible, it is, because under that plan insurers would decide what doctors seniors get to see and what health benefits get covered.

Now, why do I say that? That is an HMO. An HMO is a health maintenance organization. That is an insurance company. They have a panel of doctors, they have a panel of hospitals, and

they determine what is in the coverage that a senior citizen gets.

Contrast that to Medicare now, that Medicare fee-for-service. The senior citizen makes the choice of their doctor, of what are the things they look for in their total medical care, paid for because they are senior citizens and are eligible for Medicare, of which they have been paying in all of their lives through a Medicare tax.

So now this proposal is to privatize Medicare, take it out of being a government fee-for-service plan, and, instead, insert it into a privatized insurance company.

Do senior citizens want to change their Medicare and turn it over to insurance companies? I do not think so. If insurance plans raise their costs, which we know they do, seniors then would have to pick up the bill. Seniors would have to pay more out of their pocket for this voucher program.

According to the Congressional Budget Office, out-of-pocket costs—this is according to CBO, the nonpartisan actuarial accounting organization—according to CBO, out-of-pocket costs would more than double for seniors.

This voucher program proposed by the chairman of the Budget Committee in the House, Congressman RYAN, is not like Medicare Advantage. Medicare Advantage has been a great program for senior citizens, and in our State of Florida we have more signed up for Medicare Advantage than any other State because of what it does. It provides benefits at low cost to senior citizens because the Federal Government directly negotiates with the insurance companies' plans. That is different from what Congressman RYAN and the tea party are proposing. So insurance companies, under Medicare Advantage, have to provide guaranteed health benefits at a low price that is negotiated. As a result of the new health care reform law, Medicare Advantage premiums have actually gone down. These are the premiums that are paid by senior citizens.

So do not let folks confuse you between what is proposed by the Budget chairman in the House and the existing Medicare Advantage Program. The Ryan/tea party budget leaves these decisions up to the insurance plan. In other words, insurance companies will be in charge of seniors' health care. I do not think that is what our senior citizens intend to have happen.

The tea party wants to end Medicare. That is the bottom line. Yet the House budget does little—interestingly, little—if anything to actually reduce the Federal deficit, which is what they say their budget is for, to reduce the Federal deficit.

Well, look at it. The House Budget chairman claims his budget includes \$5.8 trillion in spending cuts, but when we look at it closer we learn this claim was an accounting gimmick. We have seen these gimmicks over and over in budgeting in the Federal Government.

For example, first, we learned that his staff had made a \$200 billion mathematical calculating error in calculating interest savings. Then, second, we learned that \$1.3 trillion of the savings is artificially derived from a misleading assumption that the wars in Iraq and Afghanistan would continue indefinitely. Third, and most importantly, of his savings, \$4.2 trillion of the savings come from the spending cuts that fly out the back door in the form of tax cuts for millionaires.

At the end of the day, those \$5.8 trillion in spending cuts in their budget translates into less than \$200 billion in real deficit reduction over those years, or less than 1 percent of the total debt held by the public.

So the Congressman Ryan/tea party budget does little to address the deficit while making every single senior citizen in this country get their health care from an insurance company.

So that is why Senator BAUCUS, our chairman of the Finance Committee, and I have introduced a resolution. This Senate resolution calls on the Senate to oppose this radical voucher program. Medicare has been providing affordable health care for seniors and disabled Floridians and Americans for decades and decades. It is a very popular program with our seniors. Medicare should not be dismantled. It should not be turned over in a voucher program to insurance companies that will eliminate choices. It should not be turned over to insurance companies that will increase costs, and, certainly, seniors' health care should not be turned over to insurance companies.

I yield the floor.

The ACTING PRESIDENT pro tempore. The Senator from Iowa.

BUDGET PRIORITIES

Mr. GRASSLEY. Madam President, we are all kind of on pins and needles about what the President is going to say today in his speech on the budget at George Washington University. I hope he comes forward with a strong program to get the budget deficit down because Presidential leadership will help us get the job done. Congress can do it on its own, but it will be a lot easier if we know we are working with the President instead of against the President.

I hope the President's remarks reflect the fact that elections have consequences and the consequence of the last election was a very strong message to Washington that we ought to get spending down and government ought to be smaller. In anticipation of what he says, I wish to make some remarks, and my anticipation is based upon things that have already been said from the White House by staff about the direction the President's speech is taking.

If we learned anything during the last 2 years, it is that America can't tax and spend its way back to prosperity. The voters understood that and

sent a powerful message to Washington last November: Stop piling debt on the next generation. Stop the overspending that mortgages our children's future and jeopardizes job creation.

Thanks to the gravitational pull of the Republican majority in the House of Representatives responding to the results of the last election, the compass is starting to point in the right direction. Despite the two-against-one lineup of the debate, meaning the President and the Democratic Senate on one side and the House under the control of the Republicans on the other side—that two-to-one lineup—we have a continuing resolution at the start of what must be a long-haul, committed effort.

The continuing resolution we will pass this week is just the beginning because the hard work has only just begun. That is reflected in the leadership demonstrated by the House of Representatives' Budget Committee chairman PAUL RYAN. He did what the President failed to do in his budget proposal—get serious. Today, I hope we have evidence that the President is getting serious. But up until now, the President ducked, even ignoring his own deficit reduction commission report fresh off the printer. He hasn't said yes or no whether he supports the recommendations of the Bowles-Simpson commission.

In sharp contrast, House Chairman RYAN stepped up and put ideas on the table for fiscal responsibility. Today, in response to this effort, to show the voters we got it in the last election and that it is time to reduce spending in Washington, the President is giving his speech on reducing the debt. After reluctantly coming to the table for very modest reductions in spending that are going to be in this continuing resolution we will hopefully pass this week, the President has quickly moved past any focus on getting spending under control and seems to be going back to that same old saw that we have to have tax increases to reduce the deficit. But history proves tax increases do not bring an additional dollar to the bottom line. Tax increases are a license to spend even more than the \$1 that might come in from a tax increase, and we also know increasing taxes is not going to reduce the deficit. Only growing the economy is going to reduce the deficit. Tax increases can have a detrimental impact on growing the economy because government consumes well; it doesn't create well. Only workers and investors and people who invent and people who create, create wealth.

There has always been a tug of war in Washington between tax-cutters and big spenders. There are those of us who believe taxpayers have a right to keep more of their own money and decide how best to save and spend and invest those dollars. Others in Congress and in Washington believe Washington knows best and work relentlessly to divert more private resources into the

public coffers. Recycling even more tax dollars through Washington, especially during an economic downturn which we are in now, and eight-tenths percent unemployment proves it. Doing more of that doesn't make sense if we want recovery.

Consider the work of two U.S. Presidents from opposite sides of the political spectrum. Study the history of John Kennedy on one end and Ronald Reagan on the other. They understood that raising taxes bore negative consequences for job creation and economic growth. My colleagues may remember that during World War II and afterwards, we had 93 percent marginal tax rates. Who decreased that? Not some Republican President but a Democrat President. He reduced it because it was not raising revenue and it was hindering the economy. We had a situation when corporate and personal income tax rates climbed during the Great Depression, we have proof unemployment kept climbing as well. In fact, if there are two things we want to remember from Hoover that we should never make these mistakes again, they are that he raised taxes tremendously high and he signed the Smoot-Hawley tariff bill, leading us into the Great Depression. As America struggles to shake off the biggest economic downturn in decades, we can't afford to repeat the same mistakes. We should learn from history.

In an economy where consumer spending accounts for nearly 70 percent of the Nation's gross domestic product and small businesses account for 70 percent of the new jobs, it would be foolish to divert even more of America's taxpayer money into the Federal Treasury. With a smaller tax liability, small business owners can expand their operations, upgrade their equipment, and hire more workers in their hometown communities. But tax policies designed to increase revenues for more government spending will not help these hometown business leaders create new jobs that can attract and retain talent and vitality in those small towns. What is more, raising Federal tax rates would stunt the positive ripple effect that occurs in the local economy and in the local tax base when small businesses are able to grow and expand their sales output and profits.

Raising taxes sets the stage for paralyzing setbacks for small business. So we should not forget that many small business owners are subject to the highest marginal tax rates and Federal estate taxes. I have worked for a long time for tax policies that give small business owners the freedom and opportunity to hire, expand, and grow their businesses without having profit-burning taxes and overly burdensome regulations get in the way of getting ahead and living the American dream and creating those jobs. Marginal tax rate increases are especially harmful to small businesses because small businesses are typically organized as flow-through entities. Since small businesses create 70 percent of the new jobs