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## Senate

The Senate met at 10 a.m. and was called to order by the Honorable BENJAMIN L. CARDIN, a Senator from the State of Maryland.

### PRAYER

The Chaplain, Dr. Barry C. Black, offered the following prayer:

Let us pray.

Eternal and merciful God, thank You for both spiritual and temporal blessings, particularly the riches of Your mercies poured down upon us.

Thank You for blessing our lawmakers, for guiding their thoughts and words so that their labors glorify You. Lord, give them the strength and courage to fulfill Your commands, trusting Your wisdom more than their own. Save them from either desiring or seeking the honor that comes only from humanity, but may they desire Your approval more than life itself. Keep them from evil as they find safety in Your love. Lord, give them the humility to know that no one has a corner on Your truth and that we need each other to discover Your guidance together.

We pray in Your sacred Name. Amen.

### PLEDGE OF ALLEGIANCE

The Honorable BENJAMIN L. CARDIN led the Pledge of Allegiance, as follows:

I pledge allegiance to the Flag of the United States of America, and to the Republic for which it stands, one nation under God, indivisible, with liberty and justice for all.

### APPOINTMENT OF ACTING PRESIDENT PRO TEMPORE

The PRESIDING OFFICER. The clerk will please read a communication to the Senate from the President pro tempore (Mr. INOUE).

The legislative clerk read the following letter:

U.S. SENATE,  
PRESIDENT PRO TEMPORE,  
Washington, DC, May 5, 2011.

To the Senate:

Under the provisions of rule I, paragraph 3, of the Standing Rules of the Senate, I hereby appoint the Honorable BENJAMIN L. CARDIN, a Senator from the State of Maryland, to perform the duties of the Chair.

DANIEL K. INOUE,  
President pro tempore.

Mr. CARDIN thereupon assumed the chair as Acting President pro tempore.

### RECOGNITION OF THE MINORITY LEADER

The ACTING PRESIDENT pro tempore. The minority leader is recognized.

Mr. MCCONNELL. Mr. President, normally in opening the majority leader goes first, but he and I have never viewed this as a contentious process. So since he is not here, I will go ahead with my statement.

### JOBS CREATION AND TRADE

Mr. MCCONNELL. Mr. President, when it comes to the state of our economy, the American people have seen enough choreographed rallies on factory floors and speeches that sound good but lead to nothing.

After 2 years of chronic joblessness, they want results.

And that is why we have seen a growing consensus in Washington over the past few weeks that something serious must be done about our Nation's debt.

Even Democrats now admit that failing to bring down the debt would be far more damaging to our Nation's economy in the long run than failing to raise the debt ceiling. The situation has been described as the most predictable crisis in American history. People on both sides of the aisle now realize that the warning bells are too loud to ignore. And last month, President Obama himself made a crucial admission.

In a sign that he too is starting to worry about the prospects of inaction, the President said that failing to produce a serious plan for tackling the deficit and the debt could be a bigger drag on the economy than anything else.

So more and more people see the problem. Now the challenge is achieving a result.

And that is why I proposed a few basic principles yesterday that I believe could guide us to success.

This morning, I want to reiterate those principles ahead of the meeting at Blair House.

By setting out clear principles up front, we are far more likely to get somewhere. And to prevent this crisis before it strikes.

First: It is time our friends on the other side stop pitting one group of Americans against another. Solving this crisis will require all of us working together. Let's act like it.

Second: The level of spending that Democrats want to maintain just is not possible without raising taxes on the middle class, which we know is not going to happen. We are only going to solve this crisis by admitting up front that we have a spending problem.

Third: Entitlements need to be a part of this discussion. So let's drop the scare tactics and work together on reform. Nobody is talking about taking anybody's Medicare.

Fourth: Raising taxes is the last thing we should be doing in the middle of a recession. What's more, a bipartisan majority here in the Senate opposes it. So let's set that idea aside and find some common ground instead. If we recognize these things, we can avert this crisis. If we do not, we will not. And I assure you we will all answer for it.

Very few people saw the last crisis coming. This one, on the other hand, is clear as day. Failing to work together in good faith on a solution is completely indefensible. Everybody agrees

• This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.



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this is a crisis. More people, including the President, agree that failing to address it would be disastrous for jobs and the economy. And everybody knows the upcoming debt limit vote is the best opportunity we have to do something about it.

So what are we waiting for?

Doing something meaningful about the debt is the centerpiece of any serious jobs agenda in Washington.

Other things will help on that front. And the President made a small but important step in the right direction yesterday by announcing he was ready to begin talks on a free trade agreement with Colombia, something we have been calling on him to do for years.

Ratifying this agreement, along with other agreements with South Korea and Panama, will open markets to U.S. goods and create thousands of jobs. It was just one of the ideas Republicans included in a comprehensive jobs agenda we released this week, an agenda that focuses on expanding opportunity, lowering costs, and clearing away bureaucratic barriers to growth.

But at the top of our list of the things we need to do to create jobs is bringing down the debt. If we can not get spending under control, we will never get the economy moving.

If the economy does not grow, we will not be able to reduce our deficits and our debt.

And if we do not reduce our massive Federal debt, we face a crisis that makes the financial panic of 2008 look like a slow day on Wall Street.

So this debate couldn't be more important to our near-term and long-term fiscal health.

Everyone has a stake in this debate. If we face up to it like adults, we will not only prevent this most predictable crisis, we will help preserve our way of life. And the best part is no one side will be able to claim the credit. This is the moment. We cannot let it pass.

#### RECOGNITION OF THE MAJORITY LEADER

The ACTING PRESIDENT pro tempore. The majority leader is recognized.

#### MEASURE PLACED ON THE CALENDAR—H.R. 1213

Mr. REID. Mr. President, I understand H.R. 1213 is due for a second reading.

The ACTING PRESIDENT pro tempore. The clerk will report the bill by title.

The legislative clerk read as follows:

A bill (H.R. 1213) to repeal mandatory funding provided to States in the Patient Protection and Affordable Care Act to establish American Health Benefit Exchanges.

Mr. REID. Mr. President, I object to any further proceedings in relation to this matter.

The ACTING PRESIDENT pro tempore. Objection is heard.

The bill will be placed on the calendar.

#### SCHEDULE

Mr. REID. Mr. President, following leader remarks, the Senate will be in a period of morning business until 5 p.m. today, with the Republicans controlling the first 30 minutes and the majority controlling the second 30 minutes. The next rollcall vote is going to be Monday, May 9, at 5:30 p.m. We will notify Senators of the subject matter. It will be with regard to a nomination.

#### THE DEFICIT

Mr. REID. In regard to the comments made by my friend the Republican leader, as I listened to him, I picked up about three or four points that I think are fairly obvious. One is, do not touch the tax cuts for the rich; No. 2, do not touch the tax cuts for the rich; and No. 3 is that they want to go after entitlements. The largest, of course, are Medicare, Social Security, and Medicaid.

We know the Ryan budget calls for privatizing Medicare. Even the Republican majority leader today is quoted in the papers as saying that we are going to have to back off that. I am paraphrasing that, but everyone can read it. It is on the front page of the Washington Post newspaper. But the Ryan budget has a number of ways of saving money. The most significant way of saving money is to destroy Medicare.

The fourth point, after recognizing that, as my friend the Republican leader said, we need to go after entitlements, is, don't tax the rich.

We on this side of the aisle realize we have some problems with spending and we have to do something about it. The problem is not as much about spending as it is about deficits. What are we going to do about these deficits that accumulate every year?

Well, we have some experience from recent years on how to handle that. During the last 4 years of the Clinton administration, we were spending less money than we were bringing in. We were retiring the national debt. In fact, the criticism came from a number of important economists that we were retiring the debt too quickly, that we had to back off that. Well, when President Bush took office, he took that to heart. At the time he took office, there was about an \$11 trillion surplus over 10 years. He took care of that. In fact, when President Obama took office, that had been evaporated. It had evaporated because we had two wars, all paid for with borrowed money. We had all of those tax cuts paid for with borrowed money.

So on this side of the aisle, we want to do something to rein in these deficits, and we have had experience. We know how to do that. One of the things we did during the Clinton years was unique, but we did it, and it was hard.

We had something called the pay-go rules. Without any Washington inside jargon, what this means is that if you have a new program, you have to pay for it. You either have to pay for it by taking other programs and getting rid of those or raising revenue in some way. We did that in the Clinton years. When President Bush took office, his Republican colleagues here in the Congress worked with him and got rid of those rules. That is why we had everything that was unpaid for, and, in fact, "unpaid for" is an understatement. It was all borrowed money.

So we know there is a problem with deficits, and we want to work on those.

Today at the Blair House, there is a meeting. I have appointed a couple of people to represent the Democrats in the Senate: Senator INOUE, chairman of the Appropriations Committee, and Senator BAUCUS, chairman of the Finance Committee. The other three leaders in the Congress have appointed people. They are going to meet and talk seriously about ways of reducing the yearly deficits we have.

I would hope one of the things Vice President BIDEN talks about with them—I am confident it will be—is that we don't need to talk about spending caps; we need to talk about deficit caps. We have to be able to work toward reducing these staggering debts by looking at everything.

I am like most everybody here in this body; we do everything we can to protect these brave men and women who are in the military. But the Government Accountability Office told us in a report recently filed that there is \$100 billion a year in the Pentagon that is wasted—\$100 billion. When asked in a hearing how many private contractors the military has, they said: We don't know. Upon further questioning, they said: Well, it is between 1 million and 9 million people who are contractors. There is a lot of fat in this. These are the same people who, during the Iraq war, from the hearings conducted by Senator Dorgan, were using wads of hundred-dollar bills to play football. We can save a lot of money by looking at domestic discretionary spending, military spending, and doing a better job of making our tax system more fair.

To show how unfair our tax system is today, we tax the American people about \$1 trillion a year—a lot of money—but we give tax breaks to corporations and individuals of \$1.1 trillion. The point is we give more in tax breaks than we have as revenue in this country. We ought to change all this. My friend, who is the Presiding Officer, and I see my friend from Utah who will be the ranking member of that important committee, the Finance Committee, are going to have to work together to make this tax system more fair.

I appreciate my Republican friend talking about all the things we need to do, but one thing that is very clear that he doesn't want to touch is the