

as Senators to be good fiscal stewards of American tax dollars.

I would just close again today by saying we have seen our future. You can look at what is happening in Greece, you can look at what is happening in Ireland, and you can look at the types of austerity measures imposed by outside entities who have said: You make these changes or you are not going to continue to get IMF funding, for example. And even after all that, you are still looking at these interest rates in the 20-percent range, you are looking at economies that continue to contract rather than expand and grow. We need to create the conditions here that will enable our economy to grow and to create jobs, and it starts with getting Federal spending and debt under control.

One final point I will make, and this has to do with an issue that pertains to my State of South Dakota, but I think it ties into the broader point I am making about the economic uncertainty that is being created out there today for businesses.

There was a piece of legislation that passed a little over a year ago here—the Credit CARD Act—which put in statute a number of changes with regard to subprime credit card companies. That is all fine and good. I voted against it. We have companies in South Dakota that play by the rules, they have abided by the laws, and they are a heavily regulated industry. Yet Congress decided—over my objections—to move forward with legislation that would change the rules by which they play.

Well, that was all fine and good, but when it came time to implement those regulations, the Federal Reserve decided the statutory framework that was created wasn't quite good enough. So the initial regulations that were out there—this company reacted to those and tried to adapt its business model, but the Fed decided that wasn't good enough, so they took regulatory steps that went beyond what the statute had called for and made it even more difficult.

We predicted this at the time—we said: This is going to cost jobs in our State of South Dakota. Well, just this last week that particular company announced they are closing their operation in Spearfish, SD. That will impact 330 jobs in a town of about 10,000 people. Incidentally, the mayor of that city worked for this company. And there is a story here from the Rapid City Journal which describes the economic impact of these job losses and what it will mean to that community and to the entire area.

I can't help but think this is just another example of regulatory overreach, of regulatory agencies deciding they know best and going above and beyond what Congress called for in terms of legislative requirements and the legislative intent and taking regulations beyond that. So we have real-world impacts on people out there as a result of decisions made here in Washington,

DC, and when we tried to make these arguments to the regulators, they couldn't have been less concerned about jobs. We said this is going to cost us jobs.

This is just the beginning, by the way. There is another location in Huron, SD; Dakota Dunes, SD; and Sioux Falls, SD, and I think this is just the tip of the iceberg of what we will see in terms of job losses caused by regulatory overreach because a Federal agency decided they knew best and went above and beyond what even the U.S. Congress said with regard to this particular issue.

These are, again, real-life examples of decisions made here in Washington, DC, and the impacts they have in the real world. I hope we can put policies in place here that will encourage economic growth and job creation, not hinder it, not inhibit it.

I yield the floor.

The ACTING PRESIDENT pro tempore. The Senator from Nebraska.

MEDICARE REFORM

Mr. JOHANNIS. Madam President, I rise today to talk about the proposed Medicare reform. I have found the debate to be fascinating because it is proceeding as if there had been no changes to Medicare recently. Anyone telling you that there have been no changes is not being straightforward. Sweeping changes to our Medicare system were debated and they were passed in the most partisan way possible—only Democrats voted for them—and they were signed into law by President Obama. The President's new law already puts this fundamental health care program in significant jeopardy.

Some may come down to the floor, some may rise and say: MIKE, you are all wrong about this. They will want you to believe that the \$½ trillion in cuts to Medicare in the new health care law will actually extend the Medicare program. But in reality the health care law is not giving new life to this program at all. The Congressional Budget Office reports that Medicare will be insolvent in 2020, 9 years from now. Yes, that is right, complete insolvency in 9 years. That is the current plan voted on and signed into law by the President.

That analysis does not even account for the \$½ trillion cuts in Medicare to fund the health care law.

Don't believe me? We have consulted the experts. The experts say the health care law counts, or attempts to count, the same dollar twice. The Medicare Actuary says these cuts "cannot be simultaneously used to finance other Federal outlays (such as the coverage expansions under the health care law) and to extend the trust fund."

This can only mean either the new health care law does not have enough funding, to the tune of \$½ trillion or, in the alternative, Medicare is in more serious jeopardy than even the trustees' report points out, in jeopardy of

becoming insolvent much sooner than the experts predict.

So I stand here today and I tell you if you are 56 years old or younger and you are thinking about the day when you apply for your Medicare benefits, the experts say—sorry, you are out of luck. Under the current law of the land, that is the case. Again I point out that the President's health care reform was passed on the most partisan of votes—it did not get a single Republican vote—and every Medicare beneficiary will be impacted by the cuts to this program.

If you are out there saying: MIKE, I want to protect the poor, all I can tell you is the President's plan does not do that. If you are saying: But, MIKE, I want to protect the middle class, all I can tell you is that the President's plan does not do that.

What do we get out of that? According to the Congressional Budget Office, complete insolvency in 9 years. You see, the President's reform is founded upon the unrealistic assumption that doctors will continue providing the same services to patients with a 30-percent cut in a Medicare Program that is not covering their costs today. I just had doctors in my office saying: MIKE, we cannot continue to provide Medicare services if that cut occurs. Yet that is the current law of the land.

By comparison, one of the plans we may vote on this week protects Medicare beneficiaries over 55 by saying: Look, we are going to hold you harmless. Your benefits will not be changed at all. The plan says let's fix this physician payment formula so they do not have the 30-percent cut so access for Medicare patients can continue. The plan says let's protect those who are especially deserving of our support, those who are below 150 percent of the poverty level and truly cannot afford the health care they need.

You are probably saying: MIKE, what plan is that? The plan I am talking about is PAUL RYAN's plan. You tell me which sounds more severe in its approach, a plan that puts government bureaucrats in charge of controlling health care costs, robs Medicare of any potential savings to start a new entitlement, and in 9 years brings bankruptcy to Medicare, or a plan that empowers patients to choose their own unique plan, ensures Medicare savings are reinvested into the Medicare Program, and preserves Medicare by bringing costs back to sustainable levels, which is the Ryan plan?

I want to be clear that there are some things about this plan I would love to debate and change. For example, perhaps we could devise an incremental transition within the Medicare proposal. Maybe we need to evaluate if the medical savings accounts for those most in need should be indexed to something better than the general inflation rate. Maybe those below a severe poverty line should be exempted entirely. Perhaps some of the tax reform, including elimination of certain tax deductions, needs to be revisited.

We will have the opportunity to debate and make improvements, but only if we vote to proceed to the bill. But you know what, arms are going to be broken all over the place here this week to make sure that does not happen, because this is not a serious attempt to try to fix the problem. This is all about messaging for campaigns and political consequences. The reality is no plan is going to get enough votes. I will stand here and I will observe those arms getting broken. We will need orthopedic surgeons on the Senate floor to fix them.

Sadly, passage was never the intention here. These plans were scheduled for votes purely for the sake of messaging an important program that provides health care for seniors that by the Congressional Budget Office's definition will be insolvent in 9 short years. These votes are not designed to fix this problem. These votes, I guarantee, are all about political fodder for next year's election season.

I believe this is not what we were elected to do on the Senate floor. These antics are what rightfully embolden those who say Congress is incapable of solving these very hard problems. As the Senator from South Dakota indicated, today we mark 756 days since the Senate passed a budget. As a former Governor I cannot imagine going to the people of the great State of Nebraska and saying: You know, I have been thinking about it, we will not be doing a budget this year. I would be looking for a new State to live in.

Well, 756 days, and this week we are not even making a serious attempt to deal with it. With a deficit exceeding \$14 trillion, our Nation needs something greater than political symbolic votes which we all know will fail. Maybe, just maybe, we can muster the courage to take seriously our responsibility to seniors and to all Americans. I yield the floor.

The ACTING PRESIDENT pro tempore. The Senator from Iowa.

Mr. GRASSLEY. Madam President, I ask unanimous consent to speak to my colleagues as in morning business for 30 minutes.

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

THE BUDGET

Mr. GRASSLEY. Madam President, on February 14 President Obama delivered his budget to the Congress. I often describe to my constituents that Washington is an island surrounded by reality. Nowhere is this more apparent than with President Obama's February 14 budget. In presenting and defending his budget, President Obama and his staff have said his budget "lives within our means" and that "it will not add to the debt," and that "we are not going to spend any more money than we are taking in."

Obviously all you have to do is study the budget and you come to the conclu-

sion that these astonishing statements do not equal the facts. The Congressional Budget Office recently projected the deficit for fiscal year 2011, the year we are in, will exceed \$1.5 trillion. This is on top of a \$1 trillion-plus deficit in 2009 and 2010. Today, of every dollar spent, more than 40 cents is borrowed. Our country is on an unsustainable path. But you would not realize that by looking at the President's budget proposal. It does not recognize the serious fiscal crisis our country faces. What it represents is the status quo.

Over the 10-year period, President Obama's budget adds more than \$10 trillion in publicly held debt and \$14 trillion in gross debt. Does that sound like on February 14 he put before us a budget such that we are going to live within our means and not spend any more than we take in?

During this period of time, going up to 2021, debt held by the public would reach 87 percent of GDP, compared to a 50-year average of 35 percent. According to the Congressional Budget Office, "If those trends were continued beyond 2021, the resulting path of the Federal debt would be unsustainable."

In fact, CBO estimated that by the year 2040, under President Obama's budget, debt held by the public would be 117 percent. Is this the budget the Senate Democrats will support? Is this the fiscal path we are going to endorse? While President Obama claims we are living within our means, the smallest annual deficit will be \$748 billion. His budget does not even begin to put our country on the right path. The final 3 years of his budget have annual deficits totaling over \$1 trillion.

As former Comptroller General David Walker has stated, our country was founded on principles such as limited government, individual liberty, and fiscal responsibility.

The President's budget falls short on each of these three principles. It increases spending. It grows government as a percentage of our economy. It is clearly fiscally irresponsible, and because of the legacy of deficits and debt it creates, it will undoubtedly infringe upon the liberties of future generations.

In 2006, then-Senator Obama argued against raising the debt limit. He believed, at that time, the very need to raise the debt limit was a sign of leadership failure. By his own standard then, President Obama is not living up to his standard. So is that leadership failure? Would he admit that today? His "no" vote in that year was to make a point about needing to get serious about fiscal discipline. We are in the third year of President Obama's Presidency. We are in the midst of the third consecutive year of \$1 trillion of annual deficit. Deficits have gotten larger, not smaller.

Of course, I recognize many of my Democratic colleagues will come to the floor and argue they support the policies President Obama put forth in a speech later on—I guess in April—at

George Washington University. Unfortunately, for the Democrats, the leader of their party doesn't deliver speeches in legislative text. Speeches alone aren't going to solve the big problems we face in this Nation. We need serious solutions to our country's very serious problems. We need real leadership. The future generations of this country deserve no less, and that is what House budget Chairman RYAN has offered. That is what our colleagues on our side of the aisle, such as Senator TOOMEY and Senator PAUL, are going to offer to the Senate.

What have the Democrats offered to address the looming fiscal crisis? The answer is no resolution at all. So I have a blank page, representing the fact that they have no plan whatsoever. Are they going to allow a debate so they can offer their ideas to address our fiscal calamities? We just heard the Senator from Nebraska postulate that is not going to happen; that we are having a series of votes, but they are for show, not for real. The American people have sent 53 Democratic Senators to Washington. A budget can pass the Senate with just 51 votes. It doesn't take the supermajority 60 votes that so many issues on the floor require if we are going to get to finality. So far, we can see they have shirked their responsibility—nothing.

It has been more than 750 days since Senate Democrats offered a budget. What is the delay? I want to ask them: Where is your budget? I suppose they will argue that our Nation's fiscal situation doesn't require a budget or, perhaps, they have simply run out of ideas to address our deficits and our debt.

ADM Mike Mullen, the Chairman of the Joint Chiefs of Staff, said earlier this year that our debt—meaning our national debt, our accumulative debt—is the greatest threat to our national security. Surely, the Senate Democratic leadership would want to put an honest plan forward to address that threat. They don't even want to debate a budget.

This exercise is on a motion to proceed to a number of budgets, none of which were written by the Democratic majority. I guess they intend to vote against proceeding. They don't even want to debate a budget. Well, by this time, most of the time in the last 35 years, we have had a budget through the Senate. Instead of leading, they would rather demagogue the serious efforts put forth by Republicans. They are not going to stand and defend the defenseless budget their President submitted to Congress just 3 months ago. They are not going to write their own budget. It is still blank. They are not even going to vote to allow debate on budgets that were drafted by others. So are we witnessing a leadership failure similar to the one Senator Obama referred to in 2006, in his speech on the Senate floor? The Democratic majority would rather demagogue Medicare than produce and defend their own budget.

I presume there will be a lot of speeches in this town today, with