

for taxpayers to compute their estimated tax payments and creates a situation in which, just because of its complexity, they can get hit with penalties?

I think the reason Oregonians are concerned about this—we have heard about it in the Senate Finance Committee—is that the AMT is essentially a separate tax system with its own tax rates and deduction rules which are less generous than regular rates and regular rules. This contributes to the tax-filing nightmare. The only way you can tell if you owe the alternative minimum tax is by filling out the forms or by being audited by the Internal Revenue Service. If it turns out you should have paid the alternative minimum tax and didn't, you owe back taxes plus any penalties or interests the IRS wants to dole out.

My question is, I ask my good friend, how in the world is a typical taxpayer going to be able to make sense out of something like that which lots of accountants tell me they cannot even sort through?

Mr. COATS. The Senator from Oregon is exactly right. I took three tax courses in law school. I cannot do my taxes with any assurance that I am doing it right because this code has become so incredibly complicated. The alternative minimum tax adds an additional set of calculations that make it even more complicated.

Today, 80 percent of the tax filers have to get help to file their taxes, 20 percent of those buy software and hook it into their computer and try to work through it that way, and 60 percent take it to a professional. If you are not working as a professional in a career as a CPA or a tax return specialist, you cannot keep up with the 70,000 pages and 10,000-plus exemptions and the complexity of filing a return. It should not in any sense of the matter be a tax collection system that requires 80 percent of our taxpayers to have to seek professional help at a significant cost. As I think I indicated earlier, \$6 billion a year is spent on transferring money from the person paying the taxes to someone just to prepare their returns.

Small businesses face a similar problem. Small businesses do not have the big back room with the hired accountants and others to handle all the paperwork. Small business men and women have to be out front selling the product and have to be talking to the customer. Yet they now also are caught up in this web of complexity in terms of how to file their taxes, and they are having to expend time and money on getting their tax returns filed and making sure they are filed right.

Over time, as the deficit and debt problem has increased significantly, Members have been all the more reluctant to eliminate this on a single stand-alone basis because of the impact it would have on our ballooning deficit. But on comprehensive tax reform, if we can put this together with a package of comprehensive reforms, we can do it in

a revenue-neutral basis so it does not have an adverse impact on the economy.

Again, I commend Senator WYDEN and Senator Gregg for putting together a package that does just that, and I ask my colleague if he wants to elaborate on that a little bit. I thank him for the opportunity to come down to discuss for the first if not the last time some of the egregious aspects of the Tax Code in this country that I think will dictate how we should move forward and why we should move forward in enacting comprehensive tax reform.

I thank the Senator.

Mr. WYDEN. The distinguished majority leader is here. I think we are about to wrap up. I am certainly happy to yield to him if he needs a few minutes to do the business of the Senate, and then Senator COATS and I will wrap up.

Mr. REID. Madam President, it is my understanding that the hour of 5 o'clock has arrived.

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

EXTENSION OF MORNING BUSINESS

Mr. REID. Madam President, I ask unanimous consent that the Senate proceed to a period of morning business from now until 6:30 this evening, with Senators permitted to speak for up to 10 minutes each; that at 6:30 p.m. the majority leader be recognized, and that this work we are going to do during the next hour and a half be for debate only.

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

The Senator from Oregon.

PATCHING THE AMT

Mr. WYDEN. Madam President, just to wrap up, Senator COATS and I are going to come to the floor in the weeks ahead to outline some of the most outlandish examples of how broken our tax system is. We thought it was appropriate to start with the alternative minimum tax because it really is the poster child for how out of whack the American tax system has become. I think we have highlighted a number of our big concerns, but I want Senators to pick up on the last point Senator COATS made, and that is that the country cannot afford the status quo.

The idea that you would just go out and pass what is called a patch, a kind of bandaid to try to make sure some of the pain is minimized for middle-class folks—the most recent patch for just 2 years cost \$135 billion. The 10-year cost to make the current patch permanent is \$683 billion, according to the Congressional Budget Office. A patch does not protect everybody; it just limits the damage.

What we want to say as we start this debate about how to go forward with tax reform is that the Congress cannot

continue to handle the AMT with a patch. The country cannot afford it. Patching the AMT costs way too much, especially given the discussions we are having here, bipartisan discussions about how to deal with the Federal debt.

The only affordable way to fix the alternative minimum tax, as Senator COATS has outlined this afternoon, is to fix it once and for all and do it within the context of comprehensive tax reform; to pick it up, as was done in the 1980s when a Republican President got together with Democratic Members of Congress and cleaned out special interest loopholes to hold down rates for everybody and give all Americans the opportunity to get ahead while still having a progressive tax system.

We would repeal the alternative minimum tax once and for all and do it in a way that does not add to the Federal deficit. This is not Senator COATS and I plucking a figure out of the sky. The Joint Committee on Taxation has analyzed our bill, and under their analysis, Senator COATS and I eliminate the alternative minimum tax without adding to the Federal deficit. In my view, that is a pretty good way to start tax reform, start it in a bipartisan way and particularly by focusing on something that is so inequitable to hard-working middle-class people.

I thank my good friend from Indiana. I am prepared to yield the floor if my colleague has anything else he wants to say. I want to express my appreciation for the chance to work with him. We cannot deal with these big economic issues, the big economic challenges our country faces without going forward in a bipartisan way. I am very fortunate to have such an able partner. I thank him.

Mr. COATS. I thank the Senator.

Mr. WYDEN. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. MERKLEY). The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. BARRASSO. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

SECRETARY OF COMMERCE

Mr. BARRASSO. Mr. President, I come today to visit on the floor of the Senate because since last November the President has been trying to convince the American people that he has a plan to restart our economy. He was in North Carolina yesterday with his council to talk about issues. To me, the President's approach has left a lot to be desired. If the White House created as many jobs as it creates speeches, things would be a lot better. The President's empty words are not filling the pockets of American citizens.

The President has been given a new chance to show his commitment to economic growth, and that is the chance

he has recently had to nominate a Secretary of Commerce for the United States.

When I think about the Commerce Department, it is a department with a job, in terms of American businesses, to make those businesses more innovative at home and more competitive overseas. Well, the mission of the Commerce Department states that it “promotes job creation, economic growth, sustainable development and improved standards of living for all Americans.” So at a time of economic crisis such as the one we have now, a nominee who can fulfill that mission, that very mission—of promoting job creation, economic growth, sustainable development, and improved standards of living for all Americans, that very mission—is needed more than ever.

Despite the administration’s promise that their so-called stimulus bill would keep unemployment rates below 8 percent, we know unemployment went to 10 percent. It is still over 9 percent, and our job growth last month was the slowest it has been in almost a year. Over 13 million Americans are still out of work, and nearly half of them have been unemployed for 6 months or more. This is the highest rate of chronic unemployment we have had since the Great Depression.

These problems aren’t just happening at home. America’s position on the international stage is slipping as well. America’s ability to pay its debts has already been called into question by Standard & Poor’s credit ratings. Moody’s is asking the same questions. Recently, Fitch credit ratings also warned us that the United States was playing with fire. Gas prices are very high. I hear it every weekend at home in Wyoming. Families are spending \$800 on average more for gasoline this year than last year. We spend \$48 million more on goods from other countries than we do on our own goods, and our economic situation is already bad.

The headlines sound worse every day. Let me give a couple of examples. From Gallup: “U.S. Investor Optimism Declines.”

From Reuters: “Wall Street ends down as jobs data disappoints.”

From Bloomberg: “Economic Recovery Is Languishing as Americans Await Signal of Better Times.”

Even the Chairman of the Federal Reserve said the job market was “far from normal.”

The facts are clear. Americans deserve the best leadership in the Commerce Department—the Department that is responsible for trade, job creation, and economic growth.

Last week, the President nominated John Bryson to be his new Commerce Secretary. Many may ask, who is this man? Is he a job promoter, someone who can bring economic growth and improve the standard of living for all Americans? Well, John Bryson’s record clearly shows he is not such a nominee. In fact, his resume is exhibit No. 1 in proving that this administration is not

serious about job growth. At best, it is unclear why John Bryson is the President’s nominee for this position. At worst, his nomination is proof the President wants environmental activists running our economic development strategy.

When announcing Mr. Bryson’s nomination, the President praised Mr. Bryson’s background. According to the President, Mr. Bryson would be a good Commerce Secretary because “he’s been a fierce proponent of alternative energy.” Well, if Mr. Bryson was being nominated to be Energy Secretary or the Administrator of the Environmental Protection Agency or even Interior Secretary, that fact might be relevant. But Mr. Bryson is being nominated to be Secretary of Commerce.

Mr. Bryson does have a background in the private sector. The problem is, his private sector success has more to do with government help than with his own ability to create jobs or grow the economy.

Don’t take my word for it. The Wall Street Journal already has written that Mr. Bryson believes “wholeheartedly in a strategy of politicized investment.” They also wrote that the companies he has been associated with have generated revenue through handouts from the Federal Government rather than by being profitable.

We need a Commerce Secretary who knows how businesses turn a profit and how to create private sector jobs. We need a Commerce Secretary who will make it easier and cheaper for the private sector to create jobs, not someone who will make it harder and more expensive for the private sector to create jobs. We need a Commerce Secretary who can understand all sectors of the economy rather than someone who picks winners and losers.

Already, to me, Mr. Bryson fails the test. His support for politicizing U.S. investments is the least problematic element of his resume. Along with his private sector experience, he is also the founder of a group called the Natural Resources Defense Council, or the NRDC. This organization is so radically antibusiness that even Massachusetts Democrat Congressmen BARNEY FRANK and JOHN TIERNEY think it is troubling that Mr. Bryson is associated with it.

These Members of Congress have described the NRDC as “one of those environmental organizations that has reflexively attacked the fishing industry inaccurately and without any real environmental basis.”

It is not just the fishing industry the NRDC reflexively attacks. Members of the NRDC staff are on record saying: “There is no such thing as clean coal.”

But while gas prices soar and energy jobs are needed, a spokesman for the NRDC has said:

NRDC has been very active and proud to be active in fighting new coal plant proposals in the United States.

They have also stood in the way of lifesaving sonar technology that would

enhance America’s national security. Why? Well, out of fear that it might harm the whales.

They have also filed thousands of lawsuits to stop the production of American energy, and American energy is critical and a part of our American national security. This anti-energy agenda is so reflexive that the NRDC has even filed lawsuits to further delay future energy exploration in the Gulf of Mexico. Well, the delay has already stretched on so long that even former President Bill Clinton has called it “ridiculous.”

John Bryson’s career has consistently shown that he agrees with this overzealous approach to environmental policy. When Mr. Bryson first started at Edison Electric, the Los Angeles Times said he had founded “one of the Nation’s most aggressive environmental organizations.”

When it comes to being antibusiness, an unpopular policy such as cap and trade is one area where he is focused. He is one of its most aggressive supporters, and the record shows it. More importantly, his own words show it. Most Americans recognize cap and trade as a job-killing energy tax. That is why the Waxman-Markey cap-and-trade bill couldn’t pass the Senate. However, when referring to this very bill, John Bryson called it “moderate but acceptable.” He called it a moderate but acceptable piece of legislation. He even said the legislation was good precisely because it was a good way to hide a carbon tax—to hide a tax.

Mr. Bryson has repeatedly called for a national cap-and-trade system, and he has even put his money where his mouth is. But when someone says “a good way to hide a tax,” is that what the role of the Secretary of Commerce is, to hide a tax on American businesses to make them less competitive, to make it more expensive to do business? I think not.

According to the Daily Caller, Mr. Bryson’s own company spent over \$1 million lobbying for cap and trade.

So John Bryson believes in politicizing American investment. He has founded a radical environmental organization and has spent significant amounts of money lobbying for a policy that he openly acknowledges is a cover for a job-killing energy tax.

We need a Commerce Secretary. We need a Commerce Secretary who will work at making American businesses more innovative at home and more competitive abroad. We do not need a Commerce Secretary who is more interested in taking our hard-earned dollars than in creating jobs at home. The American people deserve a Commerce Secretary who is more interested in free trade than in cap and trade.

The President may believe John Bryson is the right man at the right time. I believe John Bryson is the wrong man at the worst possible time.

Thank you, Mr. President. I yield the floor.

The PRESIDING OFFICER. The Senator from Iowa.

JOBES IN AMERICA

Mr. HARKIN. Mr. President, rarely has Washington been so completely out of touch with the priorities and anxieties of ordinary working Americans. Here on Capitol Hill, policymakers are obsessed—obsessed—with the budget deficit. But the rest of America is most concerned with a far more urgent deficit—the jobs deficit.

Our Nation remains deeply mired in the most protracted period of joblessness since the Great Depression. Officially, some 14 million Americans are out of work. But real unemployment—the real unemployment, including those who are working part time but want to be working full time; those who are marginally attached; those who have never worked in the first place because they never got a job—if we add that all up, we have closer to 25 million Americans unemployed, and millions of Americans who are employed are increasingly anxious about holding on to their jobs or, at their present income, making ends meet.

But many of our political leaders in Washington are treating the jobs crisis as yesterday's news. They are putting this deficit reduction above all else. They are demanding extraordinary funding cuts—trillions of dollars in cuts, and the sooner the better, with little concern as to its adverse impact on jobs. But this is exactly the wrong approach. It is the economic equivalent of applying leaches and draining blood from a sick patient, which we used to do, by the way. That is what they did to George Washington as he lay dying. They applied leaches to him. What does that do? It just makes us weaker, and in the case of President Washington proved fatal.

In the same way, trillions in budget cuts would massively drain demand from a still weak economy. It could destroy millions of jobs. This is not just the wrong medicine for our economy; it will slow or stop economic growth, and it will make deficits worse in the future.

As Federal Reserve Chairman Bernanke warned last week:

A sharp fiscal consolidation focused on the very near term could be self-defeating if it were to undercut the still fragile economy.

I strongly disagree with the slash-and-burn approach to deficit reduction favored by some of our colleagues. We need to recognize one of the very big reasons for the budget deficit is the jobs deficit. The best way to bring the budget under control is to help these 25 million Americans who are unemployed get good-paying middle-class jobs. It is hard-working Americans who would be delighted to be taxpayers once again.

Now, obviously, we are counting on the private sector to help drive job creation and make the economic recovery self-sustaining. It should be the case if

we put more money into infrastructure. If we were to do our job in rebuilding our roads and our bridges, our highways, our sewer and water systems, our rail systems—the government doesn't do that; it goes to private contractors, private companies. Some of this is already happening but certainly not at the pace we need.

Since March of 2010, the private sector has created about 2 million jobs. However, businesses remain reluctant to invest and hire for the simple reason there is not sufficient demand for their goods and services. All of those people who are unemployed and underemployed are spending the bare minimum just trying to get from week to week. Meanwhile, the middle class is tapped out with stagnant incomes—stagnant incomes. For over 30 years, the middle class has had stagnant real incomes. They have insecure jobs, high levels of mortgage, insufficient pension funds, and other consumer debt.

That is why the Federal Government has had to play an aggressive role in helping us to recover from this great recession. Over the last 2 years, we have repeatedly cut taxes. We have extended financial aid to the States. That helped prevent massive layoffs of teachers and first responders and other essential employees.

We have made major investments in research, education, and infrastructure. All of these have either preserved jobs or created new jobs. Listen to this. We have gone from when President Obama took office—we were losing 700,000 jobs a month—700,000 jobs a month. That is just a couple of years ago. Now we are adding new jobs for the first time—and we have had 16 new consecutive months of adding jobs. Not enough. Not enough. But we are at least moving in the right direction.

The Economic Policy Institute estimates that as of the fourth quarter of 2010, the Recovery Act had created or saved up to 4 million jobs and as many as 5 million full-time equivalent jobs. The nonpartisan Congressional Budget Office estimates that through the end of 2010, the Recovery Act had raised the real inflation-adjusted gross domestic product by as much as 3.5 percent.

So to those who said the Recovery Act did not do anything, that is nonsense. That is absolute nonsense. It did a lot. But here is the problem: The shot in the arm provided by the Recovery Act is now winding down. In the absence of further Federal assistance, many States are making deep budget cuts and layoffs of public employees.

Listen to this. In Texas, Governor Perry has proposed to cut education funding by a staggering \$10 billion. New York City Mayor Bloomberg has proposed laying off 6,000 teachers. Total State and local government layoffs since August of 2008 have been nearly 500,000. If the Federal Government follows suit with massive short-term spending cuts, the prospect of a double-dip recession will be all too real.

Last week the Federal Reserve Bank of New York published an article about what it called the “Mistake of 1937,” referring to premature fiscal and monetary pullbacks that cut short the fragile recovery and ended up prolonging the Great Depression.

Princeton economist Paul Krugman says that in important ways, we have already repeated the mistake of 1937. We have taken our eyes off what should be our No. 1 priority, creating jobs. We have pivoted since 6 months ago, since the last election, to an obsession with deep short-term budget cuts, which by their very nature will destroy jobs and weaken the economy.

Everyone agrees we must take aggressive action to reduce the deficit. But we have to do it right. We need to reduce long-term deficits but in a way that absolutely minimizes immediate job losses. We need to reduce the deficit in a balanced way.

Unfortunately, the extreme budget offered by Congressman PAUL RYAN, supported by almost every Republican in the House, and I would say also in the Senate, would make our fiscal and jobs problems far worse. That Republican budget lavishes yet more tax cuts on corporations and the wealthy, as it slashes investments that undergird the middle class in this country, everything from education funding to Medicare and Medicaid.

Let me state what I think is obvious. If working people and the middle class are going to take a hit in tough times, it should not be to pay for tax breaks for the wealthy. If the middle class is going to take a hit, let's use those taxes to put money into rebuilding the infrastructure of this country, put it into better education, better schools, better teachers.

I have often said the key to renewing America and restoring our economy is to revitalize the middle class. That means investing in education, innovation, infrastructure, boosting American competitiveness in a highly competitive global marketplace. It means restoring a level playing field with fair taxation—fair taxation.

It also means an empowered workforce, a strong ladder of opportunity to give every American access to the middle class. I believe that corporations and the wealthy can return to the levels of taxation they had in the 1990s when the economy boomed and incomes also skyrocketed.

It is absurd to take the position that any dollar in tax increases that results from having the wealthy pay their fair share or ending tax loopholes is bad and unacceptable. I think it is absurd to take that position, while at the same time you take the position that it is okay to slash funding for education, for infrastructure, for research.

In both the 1980s, under Ronald Reagan, and in the 1990s under Clinton,