

the difficulty families are going through who were used to having access to the river.

I can list hundreds of projects that literally stop in their tracks if we don't figure this out. My strong recommendation is that we do what we have always done, which is appropriate and fund real emergencies. It is not appropriate to do off budget things you should have budgeted for but failed to do it. That is not an emergency; that is bad planning.

I think I am a pretty good chairman of this committee. I know Secretary Napolitano is an excellent Administrator of Homeland Security. There is nothing we can give her to make it humanly possible to predict disasters and the magnitude of their destruction. That is impossible. Again, we have to figure out a way to budget for this that is responsible and, I say, put a good-faith effort, or average in your budget, and then anything that occurs, do it in addition to that off budget, in an emergency.

Another reasonable suggestion that has met with resistance—and I can understand why—would be to take a percentage decrease against all the budgets of the Federal Government and say we wanted to spend this money but we had these disasters and we absorb it governmentwide.

I can promise you that the last and worst thing—and one that can happen because I will oppose it vigorously, and so will many others—is taking the entire amount of the DRF, the disaster relief fund, out of the Homeland Security budget, because then you put the country in a position where you are underfunding planning for the future, lowering your defenses against real terrorist attacks that could potentially happen to the country, because you are funding for disaster levels that we were unable to plan for—for obvious reasons.

We cannot undermine the security of our Nation or weaken the entire Homeland Security Department budget because of an unusual natural occurrence over which we have no control and no foreknowledge of. There may be other solutions that I haven't thought of.

Another would be very helpful if the President himself, knowing these numbers—they come from his own executive agencies, which are tabulating these numbers—were to send us an emergency supplemental. I have sent him several letters requesting that he send to the Congress an emergency supplemental to cover this gap. If he doesn't do that, Congress has the power to act, and I will be making a recommendation in the Appropriations Committee to fill this gap.

What is not acceptable is to try to absorb this entire gap in the Homeland Security budget, which will leave our country in a very weakened position in terms of preparing for future disasters and potential terrorist attacks.

Might I remind everyone that hurricane season just started on June 1. It is now June 15. We are 15 days into the

hurricane season. We don't know what the season will bring.

There may be other alternatives to closing this gap, but it is very, very important. I am going to start work on this vigorously with my ranking member, Senator COATS, to see what we can recommend, potentially jointly, I would hope.

Again, I would like to put up this chart because this reflects just about every Senator's State, from Washington to Texas, to Nebraska, to North Carolina, to Florida, to Georgia, Arizona. Montana will be green shortly, and so will Vermont because there are disasters underway. So put your thinking caps on. We need to come up with a way to fund these disasters, and it is going to be a big challenge as we start our appropriations process.

I am going to submit more technical information for the RECORD, but, again, we don't have magic wands and crystal balls in the Department of Homeland Security. We have a lot of tools there to protect our country and to build after disasters, but magic wands and crystal balls are not available. So we have to come up with a way to close this gap that makes sense. I trust that over the next couple of weeks and months we will be able to do that.

Mr. President, I yield the floor, and I suggest the absence of a quorum.

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

The bill clerk proceeded to call the roll.

The PRESIDING OFFICER. The Senator from Illinois is recognized.

Mr. DURBIN. I ask that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, the Senator is recognized.

UNEMPLOYMENT

Mr. DURBIN. Mr. President, 2 weeks ago there was an economic disclosure about the number of people gaining jobs in America. The good news is it was on the positive side of the ledger, more jobs being created. The bad news is it was not nearly enough and not fast enough. Even though these jobs are being created in the private sector, we still know too many Americans are out of work.

There are 13.9 million Americans unemployed. That is a little over 9 percent of all Americans actively seeking work. Worse, nearly 25 million Americans are underemployed. People working part time when they want to work full time are taking a job that pays a fraction of what they earned in previous employment. That is 15.8 percent of all Americans who would like to work full time but cannot do it. That is not a problem for these families, it is a crisis, and every minute we ignore it is a minute not spent well by this body.

A year ago it became increasingly clear there was little appetite in Washington moving toward job creation. When the President was elected, he was greeted on the day he was sworn in by

news that that month—and the following month—we had lost some 700,000 jobs in America. What we had had 8 years before, a surplus and booming economy, had hit the skids and people were losing jobs, businesses were failing, and people felt it in their savings accounts and IRAs all across America. The President tackled that, and I joined him, with many others, to try to infuse in this economy the kind of spending that would build things, create jobs, and turn this economy around.

We believe it was successful but only partially successful. Then at the end of last year, the President joined on a bipartisan basis with Members of Congress to extend the tax cuts in an effort to try to infuse that money into the economy so people would have more to spend.

Now, many of us took exception with the menu of tax cuts because they included tax cuts for the wealthiest people in America at a time when we are facing record deficits. It is hard to understand, let alone justify, a tax cut for a wealthy person as necessary for economic growth. Most of the people who receive those tax cuts would not turn around and spend them on goods and services. They might invest or bank them—invest overseas, for that matter. But that was the recipe. We went through spending and economic stimulus. Then, last year, we went into tax cuts as a stimulus and, still, we are not moving forward as quickly or as wholesomely as we would like.

THE DEFICIT

I spent the past year focusing on one aspect of this; that is, our Nation's deficit. I was appointed to the President's commission—the Bowles-Simpson commission—which took a look at this deficit, and for 10 months we studied it. It is a daunting challenge. It reflects patterns of spending and taxing which now have us in a terrible state, with a lot of red ink. Roughly 14 percent of our gross domestic product is generated each year at the Federal level in revenue—taxes. We spend 24 percent of the gross domestic product of our country in Federal spending. That difference—14 percent of revenue, 24 percent of spending, a 10-percent difference—represents the annual deficit we face in the United States of America.

The Commission sat down and said there is only one way to tackle this—and I agree with the premise. We need to do it together, Democrats and Republicans, which reflects the political reality of the Congress, but we need to do something that isn't altogether politically popular. We need to put everything on the table. So we did.

The Bowles-Simpson commission suggested every aspect of government spending be brought to the table. That is a much more balanced approach than the debate we went through a few months ago over the continuing resolution—that short-term spending bill. That debate focused on 12 percent of our budget. There is only so far we can

take that conversation. We can't balance our budget with a tiny slice of it. We have to take a look at the entire budget. The Bowles-Simpson commission did that. It brought to the table all domestic discretionary spending on both the defense and nondefense side and, I might add, entitlement programs.

That is an area where a lot of people get nervous because we are talking about Social Security, Medicare, and Medicaid, to mention the major elements of entitlement programs. The reason why many Americans have concerns over this debate is that many of them are very vulnerable. They know they have worked hard, and if they still have a job, they realize that even working hard, they are falling behind; wages aren't keeping up with the cost of living. So even hard-working families look at their bank accounts and their future and say: No matter how hard we work, it doesn't seem as though we are able to keep up with the increased cost of living. They realize their vulnerabilities. We all do. When it comes to health insurance, if you don't have good health insurance, you could be one diagnosis or one accident away from having all your savings wiped out or being denied the quality care every one of us wants for ourselves and members of our family, particularly our seniors. Those who are retiring before Medicare and those even on Medicare want to make sure they have adequate health care coverage. So when politicians in Washington start talking about the future of Medicare, many people get nervous. They wonder if it is going to be there when they need it.

The House Republican budget proposed by Congressman PAUL RYAN a few weeks back tackled the Medicare issue. I respect PAUL RYAN, but I respectfully disagree with PAUL RYAN when it comes to his conclusion. At the end of the day, the House Republican budget would have doubled the out-of-pocket expenditures of senior citizens for Medicare. Currently, that is estimated to be in the range of \$500 a month. What the Ryan budget proposed was to double that: an additional \$6,000 in premiums individuals would have to pay once qualifying for Medicare. These are people, by and large, who are retired. To have an additional \$6,000 in out-of-pocket expenditures naturally raises an alarm. They are alarmed at the prospect that they would not have the money to pay for Medicare. He also took the program from where it has been for the last almost 50 years and turned it into a basic private insurance program. I think most people in America who are honest will tell us that putting our health fate in the hands of the tender mercies of health insurance companies doesn't give people a lot of confidence.

So the House Republican budget proposal met with an icy, if not angry, reception across America.

That is not to say we can ignore Medicare. Medicare, if not attended to,

will not meet its obligations indefinitely. We have to look to ways to make it fiscally solvent. I think we can. I think we can do it without endangering the basic promise of Medicare, without increasing the costs beyond the reach of seniors. That is what we need to do.

The same thing holds true for Social Security. Many people are skeptical about Social Security, but here is the fact. Untouched, without Congress doing a thing, Social Security will make every payment that has been promised, with a cost of living adjustment every single year, for the next 25 years. We can't say that about many Federal programs. We can say it about Social Security. But the reality is, in the 26th year, it falls off the cliff. We would have to cut benefits by over 20 percent if we don't do something between now and then. I believe, and the Bowles-Simpson commission believed, the changes we make today, 25 years in front—small changes—can play out to buy longer solvency for Social Security.

Haven't we all been forewarned by what has happened over the last decade; that we shouldn't privatize Social Security, we shouldn't jeopardize Social Security? In the end, we don't know if that pension we worked our lives for in a corporation is going to be there or whether the corporation is going to be there. We don't know if our savings will be of the same value that they are today when we want to retire. Social Security is the one constant. It is hardly enough to live on, but a good, solid bedrock for many people to build their retirement. So we owe it to Social Security to make sure it is solvent for years to come.

So here we stand in a situation where we are facing a crisis and the crisis is one with a deadline and the deadline is August 2. Here is what it is: Each year, as the deficit on our budget increases, we need to borrow more money as a nation. In other words, the mortgage of the United States goes up by the amount of the deficit. So each year we have to negotiate a new mortgage. We call it extending the debt ceiling of the United States. We need to do it this year. The Treasury Secretary said we have to do it by August 2. That is the deadline. Failing to do that, we will be in a default position. In other words, the full faith and credit of the United States, which has never been questioned, will be questioned. People will say, if the United States is not borrowing the money it needs to meet its current expenditures, then we can't trust them to make payments in the future.

So what is likely to occur? If the Congress fails to extend the debt ceiling before August 2—if we get into a political debate and that becomes the major element of debate and discussion—if we fail to extend it, what will happen instantly is that interest rates will start going up. Interest rates that affect families, individuals, and busi-

nesses across America will start to go up. In the midst of a recession, that is exactly the wrong thing. Interest rates going up at that moment in time will discourage people from buying cars and homes and businesses from borrowing so they can expand their payrolls and put more people to work. So it would be reckless for us not to extend the debt ceiling.

I know it is a political football. People like to say—and I probably have made these speeches in my own political career—this debt ceiling is a reflection that the United States doesn't have its act together. We are not dealing with the deficit honestly. There is truth to that. But at the end of the day, we have a responsibility to extend this debt ceiling. If we end up watching interest rates going up and this recession getting worse, let me tell my colleagues, there are no political winners in the House or Senate if that occurs.

What we need to do—clearly, what we need to do—is to extend the debt ceiling as well as have an honest, comprehensive approach to deal with our deficit. It will involve spending cuts, make no mistake. That has to be done. It will also involve taking a look at entitlement programs and making sure we have found all the health care savings we can so we don't have these programs going bankrupt, and it will include revenue. There are people who can afford to pay—people who are well off in America, blessed to live in this country who have done quite well. Asking sacrifice from them at this moment in time is not unfair. I think it is the right thing to do. Bringing those together, we can come up with a bipartisan agreement and I hope we can do it and do it soon.

Let's not make the mistake of defaulting on America's debt. Let's not make the mistake of jeopardizing the full faith and credit of this country. Let's not run up interest rates at a time when we need to recover from this recession and put Americans back to work. Let's not create a new burden on small businesses when they try to borrow to continue expanding their operations and employment. Let's make sure we are doing the responsible thing here in Washington. I think we can.

I have been meeting with a group that was originally a group of six, and then it became a group of five. Then it kind of expanded to 10 and 15 and 20 and 25. It is kind of a moving card game. But I will tell my colleagues that I am encouraged by the people who come into the room, Democrats and Republicans on the Senate side, who listened to the basic outline of what we have been talking about. Although they may not agree with it and its particulars, they certainly agree with this premise: What we need to do must be bipartisan. What we need to do must include everything—meaning putting everything on the table—and what we must do is come up with a credible, honest plan that will reduce our deficit by more than \$4 trillion over the next

10 years. That amount doesn't solve our problem. We will still have a national debt, but it will finally turn the corner. It will finally bring that cost curve down, and it will show to the world, at a time when people are skeptical about the economies of Greece and Portugal and Ireland and other countries, that the United States can stand and work together in a responsible fashion to deal with the deficit. I think it is time to move forward in this bipartisan manner. I hope my colleagues in the Senate who are aware of this effort, who feel this is the right thing to do, will join in putting together something. It is going to be tough. It will not be easy, and there will be compromise needed on both sides. But if that compromise is forthcoming, we can meet our obligation. I don't know who will win politically if we do this. I don't think most people in America care who wins politically. They do care about having a job tomorrow, making enough money so they can have a nice home and a future for their children, and the belief that America's best days are still ahead. We can do that. It is going to be hard politically, but it is something that is absolutely essential.

EXTENSION OF MORNING BUSINESS

Mr. DURBIN. Mr. President, I ask unanimous consent that the period for morning business be extended until 5 p.m., with Senators permitted to speak for up to 10 minutes each.

The PRESIDING OFFICER (Mr. MERKLEY). Is there objection?

Without objection, it is so ordered.

Mr. DURBIN. Mr. President, I yield the floor.

The PRESIDING OFFICER. The Senator from Tennessee.

FISCAL DISCIPLINE

Mr. CORKER. Mr. President, I am actually glad to have come to the floor after my colleague from Illinois has just spoken. I was in Illinois this week talking with a number of people there in the business community as part of what I do on the Banking Committee. I wish to say that in talking to many of the great civic and business leaders who exist in Illinois, one of the biggest concerns they have is, in fact, this debt ceiling issue and the reduction of debt. I appreciate the work of the Senator from Illinois in trying to reach a compromise. As a matter of fact, I salute anybody who is trying to work to solve this problem.

I wish to say, from my standpoint, I know the debt ceiling is a major issue, and for me to be able to support it, we need to have dramatic changes in the way spending is taking place in this country. I think there are numbers of people on both sides of the aisle who feel that way. I have offered the only, to my knowledge, concrete proposal that has bipartisan support in both the

Senate and in the House. I wish to mention there are a number of discussions about the Medicare proposal PAUL RYAN has put forth, and certainly it is not perfect.

I would love to see a proposal made from the other side since everyone knows Medicare is going to be insolvent in the year 2024. The worst thing we can do, of course, is not pay attention. I hope at some point in the near future we will actually hear a concrete proposal from the other side of the aisle regarding Medicare.

But let me go back to the State of Illinois and the state of our country and certainly the people in Tennessee. There is tremendous uncertainty out there in the business community. As a matter of fact, in talking to one of our leading economists last night, corporate balance sheets today are flush with cash, but companies are unwilling to invest that cash in long-term assets because they are concerned about what we are going to do here in Washington. They are concerned about whether we as a country are going to actually deal with our debt ceiling, deal with our indebtedness in a way that makes progress. So there is tremendous uncertainty.

That is, in my opinion, one of the leading causes of the economic issues we are dealing with, the high unemployment. It has been 777 days since this body even passed a budget. If you can imagine having a country such as ours with 535 people in the House and Senate spending money without a budget for that long, obviously it is a display of an incredible lack of discipline and certainly sends the wrong signal to the business community.

So I do think our country is suffering, suffering economically. Every person I talk to is concerned about the uncertainty of whether we as a country are going to be able to deal with our indebtedness, the tremendous amount of debt this country is piling up because we are spending money we do not have.

I do look at this August 2 deadline as a line in the sand for us as a country. There is plenty of time for us between now—June 15—and August 2 to actually come to an agreement on these big issues. One of the things I hope will be a part of anything we do is something like the fiscal straitjacket that the CAP Act outlines. I do not think there is anybody in this body who disagrees with the fact that we as a country are spending money we do not have and more money than we should. As a country, we have spent about 20.6 percent of our country's gross domestic product for the last 40 years. That is the post-entitlement period. Today as a country we are spending almost 25 percent of our country's economic output on the Federal Government, and that number is rising geometrically.

So we put forth a bill. It is called the CAP Act. Again, it has bipartisan support in the Senate, bipartisan support in the House, that would take us, over a 10-year period, down to the 40-year

average and save our country about \$7.6 trillion over what is called the alternative fiscal scenario as printed by CBO.

There is no doubt in my mind—I do not think there is anybody in this body who would disagree with this—that the signals we are sending to the country and the world about our inability to come to a conclusion about our spending is affecting the economy. I cannot imagine there is anybody who would disagree with that. We have had people come in, economists telling us what will happen if we do not raise the debt ceiling, what will happen if we do and we do not do those things that are necessary to lower the amount of spending that is taking place here in Washington.

Again, I have offered something that is practical. People on both sides of the aisle have joined. I know there are discussions that are taking place. They are called the Blair House negotiations between the Vice President and Members of this body, and I am understanding that a fiscal straitjacket is part of that discussion; in other words, making sure that over the next 10 years whatever costs we cut are actually locked in, and more cuts are gotten through the imposition, if you will, of a declining fiscal straitjacket, where we, in essence, get back to the norm as it relates to spending and our economy in this country.

I want to say I think one of the greatest things we can do to actually spur the economy—as much as people care about spending in this country today; and there are a lot of people who do—believe it or not, they care, as they should, even more right now about the economy and their own family's situation. I think these two are intertwined. I think if we as a body were to show fiscal discipline, show some certainty into the future, show the business community and the world community we have the ability to have discipline, to act responsibly, I believe it would unleash tremendous amounts of investment.

Again, a leading economist last night says he has never seen a situation where this much cash resides on corporate balance sheets, but corporations are unwilling to invest them in long-term assets. What that means, what that translates into is they are not building plants, they are not expanding because they are concerned about policies in Washington, one of which is: Can we control our spending?

So I do think that August 2 is a seminal moment in our country's history. There is nothing happening here in the Senate. Let's face it. We are voting on judges we do not even need to vote on. We could pass them out of here by unanimous consent. We have bills on the floor that mean nothing, that are never going to become law, just to fill up time. We know that. It has to be the most boring time in the world for a Presiding Officer. Nothing is happening. The oxygen is taken out of the