

work we do, that is an expression of our personal values.

The Nation's budget, which is both revenues and expenditures, is an expression of our collective values as a country. I cannot understand, in that expression of collective values, how it is that the very wealthy, that the very influential, that Big Oil is entitled but working-class families and the poorest among us are not entitled to realize their hopes, dreams, and aspirations in the greatest country on the face of the Earth.

Anyhow, I wanted to come, since I heard my name invoked before. I think the facts were not quite up to par. There is, obviously, a different view.

Having had the opportunity to set the record straight, I yield the floor.

I suggest the absence of a quorum.

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

The assistant bill clerk proceeded to call the roll.

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 President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. MERKLEY). Without objection, it is so ordered.

HOUSE ACTION

Mr. TOOMEY. Mr. President, I wanted to take this occasion to acknowledge a very important event that occurred last night. It occurred in the other body, where we had a vote for the first time since we have been deliberating and debating and wrestling with this challenge of what to do with our debt limit and the fact we have reached that debt limit. We have had a vote by one of the two bodies that have a say in this matter on this very issue, and the House voted yesterday by a significant margin, with a bipartisan vote—although it was mostly one-sided, there were Members of both parties—in favor of raising the debt limit. The House voted to raise the debt limit, in fact, by the full amount the President requested. The House voted to raise the debt limit by \$2.4 trillion, which would completely eliminate this problem, this struggle we have had over this looming deadline we have been given.

However, the vote came with one condition. It came with the condition that the President join Congress in putting our Federal Government on a path to a balanced budget. That is the requirement. That is the contingency. The way the House bill achieves that is by establishing three parts: The first is cuts in spending, the second part is caps on spending, and the third is a balanced budget amendment to the Constitution. The colloquial name this approach has been given is the “cut, cap, and balance” approach.

This is a big deal because until last night, among the three parties to this debate—the House of Representatives, the Senate, and the President—nobody had previously laid out a case that

said: Here is how we will raise this debt limit and deal with this problem. The House has now done so. They have passed this measure by a significant margin.

I would like to quickly walk through the three elements of it—the cuts, the caps, and the balance. They are really all different pieces designed to achieve one goal, which is to put our Federal budget on a path to balance.

The cut refers to cuts in spending in this next fiscal year, which begins soon. It begins on October 1. The cut is 3 percent from this year's spending level—3 percent. So under the House-passed plan, next year we would spend 97 percent of everything we are spending this year, but we would cut 3 percent. Now, anybody who has run a business, anybody who has run a household knows that if you have to, you can cut 3 percent from any big budget. I guarantee you, from the enormously bloated and oversized \$3.7 trillion U.S. Government budget, 3 percent is not much, but that is the cut. That is the first part. That is the level of spending for next year—about 3 percent or \$111 billion.

The next part is the caps. These are the statutory limits as to how much the Federal Government would be permitted to spend in each of the subsequent years for the next 10 years. These levels have spending growth every year. Some suggest these are Draconian, savage cuts in spending. Actually, it is increases, but it is increases in spending at a slower rate than we have had in the past and certainly slower than what others have proposed—what the President's budget proposed and what the Congressional Budget Office is expecting. Therein lies savings. Therein lies the opportunity to put us on a path to a balanced budget because I think we all acknowledge that, unfortunately, we are not going to be able to achieve a balanced budget overnight. Can't do it. We have dug too deep a hole. So we need a little time to get there. The spending caps provide that discipline as we move in that direction.

The final piece is a balanced budget amendment to the Constitution, which is something most Americans have strongly supported for a long time. If we achieve that, frankly, we would never have to worry about raising the debt limit anymore because we wouldn't run a deficit. We would be forbidden. Without a deficit, you don't need to issue a new debt, so the debt would never rise, and this problem would be permanently resolved, but much more important, we would have our Federal Government on a sustainable, strong, viable fiscal path, and that would create the opportunity for strong economic growth.

I am convinced that part of the reason we are having such a weak economy and such poor job growth is because of the uncertainty we have created not so much over whether we are going to raise the debt limit on August

1 or 2 or 3 or whenever it is but whether we are going to solve the big fiscal challenge we face, the problems dragging down Europe now, and the problems that loom for us.

The President and the Treasury Secretary have been extremely alarmed about the prospect that we might not raise the debt limit on August 2. To that very point, the Treasury Secretary said—and I quote from a May 13 letter he sent to Members of Congress:

This would be an unprecedented event in American history.

He is referring to a failure to raise the debt limit.

A default would inflict catastrophic, far-reaching damage on our Nation's economy, significantly reducing growth, and increasing unemployment.

President Obama had a similar message of great alarm, again referring to a scenario in which we did not raise the debt limit by August 2. He said:

If investors around the world thought that the full faith and credit of the United States were not being backed up, if they thought that we might renege on our IOUs, it could unravel the entire financial system . . . We could have a worse recession than we already had, a worse financial crisis than we already had.

So this is how serious the President and the Treasury Secretary say their concern is that we raise the debt limit. Well, the House just did it. The House said: Mr. President, we hereby vote—and they did vote—to raise the debt limit by \$2.4 trillion, the full amount the President asked for. They have said this is the only condition: You, Mr. President, need to join us in putting our budget on a path to balance, taking care of this fiscal crisis, and giving us a sustainable fiscal footing so we can have strong economic growth.

So the question today before us is, Will the President join us? Will the President embrace this? The President, as I have just quoted, has indicated great alarm at the prospect of not getting the debt limit increase he has asked for. The House has just said: Here it is.

Actually, I think, if not every Republican Senator, a big majority of Republican Senators will support what the House has done. I hope there will be many Democrats who will support this as well because none of us wants to test the proposition of what happens if we don't raise the debt limit.

So the opportunity is here now. For the first time, we have a bill that has been passed in one of these two bodies that would do exactly what the President has asked for, with just this one condition.

Let me comment for a moment on one of the reasons I think it is so important that the President join us in putting our budget on a path to balance. We have heard from various rating agencies that several of them are considering downgrading the credit standing of the United States. This is an appalling thought.

I was involved in the bond market in my first career when I got out of college, and the United States stood above

ratings. We didn't talk about having a AAA rating because we were above even that. Our rating was so superior to anyone else's, the rating system didn't even really apply to the United States. Well, now, not only does it apply, but the danger is that we won't even qualify for the top rating.

Do you know what it is that would cause them to downgrade the debt of the United States? It is not a failure to raise the debt limit by August 2; it is the failure to address this fiscal imbalance, these massive, unsustainable deficits. That is what they have told us has to be corrected or else the downgrade follows, and a downgrade will be enormously problematic because it has all kinds of knock-on effects.

So we have heard about a lot of different ideas that have been floated, and I congratulate and commend everybody who has been involved in putting in a lot of effort. I don't agree with everything that everybody has talked about doing, but I think we have seen people from both parties make a good-faith effort to try to solve this problem one way or another. But the fact is there is only one proposal on the table that has passed either body, and there is only one proposal that actually solves our long-term fiscal challenge in the law that has already passed—the bill that has already been passed.

So my question now is, Will the President join us and put our government on a path to a balanced budget? We don't expect to get there overnight. By the way, the various levels of cuts and spending and the exact terms of the balanced budget amendment naturally would be subject to discussion. But will the President join us in this effort to restore fiscal sanity and give us the basis for strong economic growth? That is the question, and that is the opportunity for the President.

Now, I know the President has been dismissive of the idea of balancing our budget, but I certainly hope he is not so opposed to balancing our budget that he would reject the debt limit increase that he has said we desperately need. There is an opportunity here to solve two problems at once—to solve this problem over the looming date of August 2 by which he has said we absolutely must raise the debt limit, but the more important opportunity is to put our house in fiscal order.

The House took a very important step in that direction. The Senate will have a vote later this week. I hope my colleagues in the Senate will embrace this opportunity and the President will join us and will put our Federal Government on a path to balance.

With that, I yield the floor.

CONCLUSION OF MORNING BUSINESS

The PRESIDING OFFICER (Mrs. HAGAN). Morning business is closed. The Senator from Oregon.

Mr. MERKLEY. Madam President, I ask unanimous consent to speak as in morning business for 5 minutes.

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

MILITARY CONSTRUCTION AND VETERANS AFFAIRS AND RELATED AGENCIES APPROPRIATIONS ACT, 2012—Continued

Mr. MERKLEY. Madam President, I rise to address amendment No. 570, offered by Senator WYDEN, regarding closure of the Umatilla Chemical Depot. It is an amendment on which I am proud to partner with him.

This is a very important issue to my home State of Oregon. We have a situation where 20 years of planning have gone forward to arrange for the final transition of this chemical depot based on the recommendations of the Base Closure and Realignment Commission. Indeed, the BRAC Commission, as it is known, noted:

On completion of the chemical demilitarization mission in accordance with treaty obligations, close Umatilla Chemical Depot, Oregon.

This was language that was specifically done to recognize that the chemical depot had to complete its work dismantling the chemical weapons stored there according to the Chemical Weapons Convention Treaty. That treaty had a deadline of April 29, 2012, and thus it wasn't clear that the work would be done within the 6 years outlined for most of the BRAC's work. So they changed the language from "close the Umatilla Chemical Depot" to "on completion of the chemical demilitarization mission in accordance with treaty obligations."

So since this has been a discussion for so long, with the community working so hard with so many stakeholders in order to put the plans together to transition this base to a productive civilian role, it came as a complete shock recently when the community was notified by the Army that, despite the specific language that accommodated the treaty deadline of April 2012, they were going to rule that the transfer under the BRAC legislation could not be completed because it was an exception—even an exception written into the law—to the initial 6 years.

It was quite a shock because a local reuse authority has been formed and has been working hard with representatives from all local stakeholders to make sure this base is transferred in a way that creates the best possible economy and best use of this land. It has been a complicated task. It has been an earnest effort.

This is not the time for the Army to change the rules, digging up a clause and misapplying that clause, ignoring the exception written into the law, and claiming that this work done over all this time doesn't matter.

That is why I am so delighted to join with Senator WYDEN in putting a clarification into statute that says, yes, what the original legislation said with an April 2012 deadline recognizing our treaty obligations must be honored and

the BRAC process must be honored for the best use of this land in the community.

MORNING BUSINESS

The PRESIDING OFFICER. The Senator from South Dakota.

Mr. JOHNSON of South Dakota. Madam President, I ask unanimous consent to return to morning business.

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

THE RYAN PLAN

Mr. JOHNSON of South Dakota. Madam President, I quote former Reagan Economic Adviser Bartlett on the House Republican plan.

Distributionally, the Ryan plan is a monstrosity. The rich would receive huge tax cuts while the social safety net would be shredded to pay for them. Even as an opening bid to begin budget negotiations with the Democrats, the Ryan plan cannot be taken seriously. It is less of a wish list than a fairy tale, utterly disconnected from the real world, backed up by make-believe numbers and unreasonable assumptions. Ryan's plan isn't even an act of courage. It is just pandering to the Tea Party. A real act of courage would have been for him to admit, as all serious budget analysts know, that revenues will have to rise well above 19 percent of GDP to stabilize the debt.

Former Reagan administration economic adviser Bruce Bartlett from Capital Gains and Games Blog, "Imbalanced Budget."

I would clarify the impact of the balanced budget proposal. He has called it sheer idiocy. That comes from the former Reagan economic adviser.

MILITARY CONSTRUCTION AND VETERANS AFFAIRS AND RELATED AGENCIES APPROPRIATIONS ACT, 2012—Continued

AMENDMENT NO. 575

Ms. AYOTTE. Madam President, I ask unanimous consent to set aside the pending amendment and call up my amendment No. 575, which is at the desk.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

The clerk will report.

The assistant bill clerk read as follows:

The Senator from New Hampshire [Ms. AYOTTE] proposes an amendment numbered 575.

The PRESIDING OFFICER. The Senator from Arizona.

Mr. MCCAIN. I ask unanimous consent that further reading of the amendment be dispensed with.

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

The amendment is as follows: