

money but because he is asking for so much of it.

Yet, incredibly, the President's budgets would do nothing to reverse this trend. So he can claim to be interested in a solution, but what he put on paper makes the problem worse.

Right now, the President is asking Congress to raise the debt ceiling by more than it has ever been raised before in our history—even as the Nation is teetering on the edge of a crisis caused by that very debt.

Let me repeat, our Nation is facing a crisis because of the size of our debt, and the President of the United States, the man Americans elect to be the steward of our economy, is threatening to veto any bill that doesn't add more than \$2 trillion to the debt ceiling, the largest increase in history.

The President is not taking a stand on cuts. He is not taking a stand on reform to entitlements. He is not insisting on reforms. Forget all that. What he wants more than anything else is more room under the debt ceiling to get him through the election. He has said that is his bottom line.

I remain as committed as ever to resolving this crisis in a way that will allow us to avoid default without raising taxes and to cut spending without budget gimmicks.

There is only one option that does that and that is the one Speaker BOEHNER has proposed, and that is being improved as we speak.

I yield the floor.

RESERVATION OF LEADER TIME

The ACTING PRESIDENT pro tempore. Under the previous order, the leadership time is reserved.

MORNING BUSINESS

The ACTING PRESIDENT pro tempore. Under the previous order, the Senate will be in a period of morning business for 1 hour, with Senators permitted to speak therein for up to 10 minutes each, with the time equally divided and controlled between the two leaders or their designees, with the Republicans controlling the first half and the majority controlling the second half.

The Senator from South Dakota is recognized.

THE DEBT

Mr. THUNE. Madam President, yesterday, I came to the floor to talk about where we have been, where we are and where we are going and to discuss how we are going to get out of this mess. I pointed out the President's disappointing record when it comes to the debt issue.

The President originally requested a clean debt ceiling increase that didn't have any spending reductions attached to it. He then submitted a budget that failed to ever balance, and this budget

didn't include the recommendations from the Simpson-Bowles commission he had appointed to come up with some suggestions about how to put our country on a more sustainable fiscal path.

According to the CBO, his budget didn't even meet his metric of primary balance, which is balancing the budget not including interest costs. After realizing House Republicans were the only ones with a plan to balance our budget and pay down the debt, President Obama decided to give a speech. Of course, it was just a speech. It did not include numbers. He didn't resubmit his budget, despite requests to do so. He just gave a speech.

As they say, talk is cheap. We need action. The only action he promised, though, is that he will veto plans that would do something to address our debt and deficit problems.

Earlier this month, the administration issued a veto threat for the cut, cap, and balance bill. This was a reasonable proposal that immediately cut spending, put a cap on spending, and would have raised the debt limit after a balanced budget amendment was approved by the Congress.

In fact, this was so reasonable that, according to a CNN poll, 66 percent of the people in this country supported this plan. This bill garnered the support of 234 Members of the House of Representatives, including 5 Democrats. But Senate Democrats voted to table the bill after this veto threat was issued by the President.

So Speaker BOEHNER in the House of Representatives unveiled yet another plan. It certainly isn't perfect, but it begins to deal with our spending problem while also increasing the debt limit to provide a period of time for Congress to pass more substantial budget savings.

Unfortunately, the administration issued a veto threat for this bill. Their reasoning? It doesn't extend the debt limit past the election.

It doesn't take a genius to figure out why. It is not because the markets require a longer term increase; they don't. It is not because Congress generally approves long-term increases in the debt limit; we don't. It is not because a long-term increase would force us to cut more spending; it would not. It is because the President has to face reelection next year. That is it—nothing more, nothing less. It is a political consideration, not an economic one.

So after months of fearmongering about the risk of not raising our debt limit, the President will actually veto a bill because it casts him in a bad political light. This is unacceptable.

Tomorrow, I am hopeful the House of Representatives will pass the Boehner bill. I am hopeful that as soon as we receive it in the Senate, we will take it up, pass it, and send it to the President for his signature.

We need to do it not just for the debt limit increase, which we do, but we also need to do it to start cutting spending and creating a process to reform entitlement programs.

Already, our economy is feeling the impact of these debts and deficits. We know from the Reinhart and Rogoff study that our economy is growing at 1 percentage point less than it should be because of our debt. This is costing us about 1 million jobs every single year.

If we don't take action to cut spending, we know what our future holds: downgrades, interest rate increases, austerity programs filled with tax hikes and Draconian spending cuts, and anemic economic growth.

Looking at Europe right now, Ireland pays 12.9 percent interest on 3-year bonds. Portugal pays 19.4 percent. Greece pays an astounding 28.9 percent. These rates would truly bankrupt our country in short order.

Unfortunately, as former Bush economic adviser and Federal Reserve Board of Governors member, Larry Lindsey, pointed out in a Wall Street Journal op-ed recently and reiterated it yesterday at a Finance Committee hearing, even a normalization of interest rates in the United States to their historical average for the past 20 years would add \$4.9 trillion to our projected debt over the next 10 years.

We can't afford the spending we have now, let alone this additional interest. We need to start cutting spending now. Both the cut, cap, and balance plan and the Boehner plan would do this.

We also need to create a process to reform entitlements. The cut, cap, and balance plan does this by capping spending, and the Boehner plan does this through the new joint committee that has a firm deadline for congressional action yet this year.

I wish I could say there was a plan by the President that does this. There isn't. That is why we in the Senate and in the House of Representatives are going to have to take the leadership in this debate. The President has obviously decided this is more about politics and, unfortunately, has not stepped up with the leadership that is necessary to get our country back on a sustainable fiscal path. We are where we are as a consequence of that, and we are facing a deadline in a few days where we will have to increase the borrowing authority of this country.

What I submit to colleagues is, the issue and the challenge and the problem in front of us is not the debt limit, it is the debt. If we don't do something about this debt, we are going to bankrupt this country, we are going to see the kind of interest rates they are seeing in Europe and we are going to see anemic economic growth in this country and it is going to be difficult to get people back to work. So cutting spending, getting our fiscal house in order, making government smaller, not larger, making the government economy smaller and the private economy larger is the way we need to get this country back on track. But it starts by having a plan that puts our fiscal house in order. So we, in the next few days, are going to have a chance to vote yet again on a plan put forward by the

House of Representatives because the President has failed to put forward a plan. I hope our colleagues in the Senate will do the right thing for this country and start to get us on that pathway that will enable us to get past the short-term challenges we face, get us to an opportunity to vote on a balanced budget amendment, which I think is desperately needed in this country, which would put the kind of fiscal discipline we need in place for the long term, so we aren't having year-over-year \$1.5 trillion deficits that continue to accumulate more and more debt and put this country at a greater risk in future generations and greater jeopardy.

I hope my colleagues will support a responsible plan that actually does cut spending, does address the issue of entitlement reform, does it without raising taxes, and make sure that come next Tuesday we have taken the necessary action to protect our economy, shield it from any adverse impacts that could occur as a result of us not raising our debt limit but do it in a way that addresses the fundamental issue, which is the debt.

I yield the floor.

The ACTING PRESIDENT pro tempore. The Senator from Georgia.

Mr. ISAKSON. Madam President, I associate myself with the remarks of the Senator from South Dakota. Before coming to the floor this morning, I returned 2 phone calls I received yesterday out of 2,000 that came into the office. I picked those two because they were people I have known for a long time but haven't talked to in a long time, and they have never called me in my capacity as a Senator. Both of them are businesspeople, both are neighbors, and both had the same message: the uncertainty that Congress and this administration is now causing in terms of our inability to meet the day of reckoning next Tuesday, when we must do so, is beginning to impact their business, their philosophy, their investments, and their country.

What we are doing as we almost dilly-dally around, putting off a final decision, agreeing to not agree on anything is we are making the situation worse. I think the reports in a couple months will show economic activity in July will show America is slowing down, economic activity is slowing down. That is because Congress and this President cannot get their act together.

History and facts are stubborn. I wish to go over a 2-year history of this debt ceiling crisis because, for years, we have known it was coming. For 2 years, we have talked about it. In fact, a little over 18 months ago on the floor of the Senate, Republicans and Democrats passed a deficit commission amendment, which made it successfully through Congress, was signed by the President, and that deficit commission was created. It was charged with coming up with a solution for our rising spending problems, reduction of the

deficit and debt over time, better management of our fiscal policy, and getting Congress's act together, where it could vote up or down on a proposal. That became known as the Simpson-Bowles proposal. It would cut \$4 trillion in spending over one decade, reform our tax policy, and weed out a lot of bad things that have been in there for a long time.

What happened is, when it came out in December, the President rejected it out of hand. I am not being partisan, because a bipartisan group of people offered that proposal. I was one of the five Republicans who voted for it on the floor. I thought it was a conscientious way to address the debt and deficit and the problem we faced. For some reason, unbeknownst to me, the President rejected it out of hand. All he had to do was send it to the Senate for an up-or-down vote, and we would at least have begun the process of dealing with the debt and deficit. Instead, he rejected it out of hand.

In the months preceding this debate today and this coming Tuesday when we run up against the debt ceiling, we have had other legislation come to the floor or from the House that has been rejected out of hand. The cut, cap, and balance legislation, which I voted not to table last week, the majority leader decided to not even discuss but to make a motion to table it. But that was a conscientious way to deal with our deficit and debt over time. It was a disciplined process that said we need to make cuts now and begin the process—\$51 billion—and watch our spending in the future based on historical spending averages, and we ought to give the American people a chance to say: Does America need a balanced budget?

Instead, the Senate tabled it, when we had a chance to say just say yes to solving our problems, and we just said no.

Last night, Speaker BOEHNER's bill, which was to be voted on today, was pulled off because of a revenue estimate produced by CBO. I hope that will get worked out and will pass the House and will come back to the Senate. It is about time for us to say just say yes to something instead of just saying no.

I wish to talk about the consequences of just saying no for a second. The longer we say no, the longer we send uncertainty into the world markets and our own markets, the worse our problem will be.

Our tax system is based on Americans being prosperous. As America prospers, as we have better economic activity, our revenues go up—not because we raise taxes but because we raise expectations. We are now lowering expectations in America.

The two businesspeople I talked to this morning said they do not know what to do. Quite frankly, I didn't know what to advise them. I ran a company for 22 years, and I know the worst thing about running a business is to have uncertainty in terms of which way to go.

So it is my sincere hope everybody will come together and realize no is not an option. We need to say yes. If the President has a plan, bring it. If the House passes their plan, let's vote for it on the Senate floor. But let's move forward because the price and the cost of uncertainty is destroying what little economic vibrance the United States of America has today.

Let's raise the expectations of our people. Let's raise the productivity of the Senate and the Congress and this President. Let's sit down at the bigger table of common sense and find a solution, and let's find it now.

Madam President, I yield the floor.

The ACTING PRESIDENT pro tempore. The majority leader.

EXTENSION OF MORNING BUSINESS

Mr. REID. Madam President, I have spoken with the Republican leader, and I now ask unanimous consent that the period of morning business be extended until 2 p.m. today; that during that time Senators be allowed to speak for up to 10 minutes each.

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

The Senator from Wyoming.

A SECOND OPINION

Mr. BARRASSO. Madam President, I come to the floor today having listened to my colleagues and looking at the most recent job data, which shows the effects of our struggling economy. Unemployment is going up, wages are going down, and there are concerns all around the country with jobs, the economy, the debt, and spending.

I have to say, I certainly believe, as somebody who has practiced medicine for 25 years in Wyoming and taken care of families all around the Cowboy State and been very involved in the debate over the health care law, that the President's health care law makes matters worse, absolutely makes matters worse.

The President's health care law makes matters worse by forcing employers to either offer government-approved health insurance or pay higher expenses. Each day it becomes obvious to me the new health care law is designed to ultimately end employer-provided coverage altogether and to encourage Americans to join government-run exchanges. That is why, as a doctor, I come to the floor week after week with a doctor's second opinion about the health care law. Under this law businesses are permitted to drop out of paying for employer-provided coverage as long as they pay a fine. The fine is about \$2,000 per employee. This number is far smaller than what it would actually cost the business to provide family health benefits to each of their employees.

So what happens with small businesses in this country? Well, they are