

did the CBO score this plan that, according to the President's Press Secretary, is a plan about which so much detail is known? Where is it? What is the CBO score? Where is the text of it? How can we read it and bring it here and discuss or debate it?

These things don't exist—neither a CBO score nor a text—because the White House has continually refused to release a plan, even with pleas coming from Congress and from the media. I can understand why the President might be reluctant, since the time he last brought a budget to this body it was defeated 97 to 0. Not one Democrat voted in support of what the President had proposed—not one. No one supported the President's budget plan.

There is a Reid plan being proposed. According to the Congressional Budget Office, the Reid plan cuts about \$2.2 trillion from our budget over the next 10 years. But if you dig a little deeper, you find these so-called cuts are accounting gimmicks. The House Budget Committee looked at the Reid plan and their assessment was not very flattering. Let me quote from that assessment:

Reid's plan relies on the inaccurate assumption that surge-level spending in Iraq and Afghanistan is scheduled to continue over the next decade.

No one in America, and I would hope no one in the White House, believes that surge level spending in Iraq and Afghanistan is scheduled to continue over the next decade. But the plan endorsed by the President relies on such an inaccurate assumption. Why is he trying to mislead the American people? The Democrats are claiming to save money by cutting spending that was never, ever going to be spent in the first place. This is the strongest possible proof the White House is not realistically dealing with the situation and is not, in my opinion, serious about realistically and reliably cutting the debt.

In fact, even if you assume the Reid plan would work, it wouldn't cut spending fast enough to keep up with the spending the President is doing. The President wants to borrow at least \$2.4 trillion to get him through the election—to get him into 2013. But the last draft of the floor plan we are going to be asked to discuss cuts \$2.2 trillion over 10 years while raising the debt ceiling by \$2.7 trillion. It would take over a decade to pay back what this President wants to borrow over the next year and a half. So we would still be borrowing at a much higher rate than we are cutting. That is not responsible leadership. Responsible leadership would be to recognize the solution to our country's financial woes, and that solution is to avoid default, while consistently cutting spending and balancing our books the way that families do. That solution would require us to keep working until we get it right. That is the theory at the heart of Speaker BOEHNER's plan.

The President talks about wanting a balanced approach. That means dif-

ferent things to different people. When the President is talking about wanting more taxes, I think what Americans want is actually a balanced budget. Speaker BOEHNER will bring us one step closer to that balance by forcing a vote on the balanced budget amendment to the Constitution. I look forward to voting for a balanced budget amendment to the Constitution.

We live under a constitution in the State of Wyoming, and from the very beginning we have balanced our budget. As a result, we have excess money and scholarships available to all students to study at our universities and community colleges, because year after year we live within our means.

The President talked a bit about public opinion being important in this debate. Yet he is opposed to a balanced budget constitutional amendment. In a recent Sachs/Mason-Dixon poll, 65 percent of Americans say they support a balanced budget constitutional amendment. So where is the respect for that public opinion? The Boehner plan works because its authors have listened to the American people.

The White House refuses to seriously confront the problems facing our Nation, and Democrats are trying to shut down the only plan that can pass the House and save us from default. I am alarmed at their denial about how to solve these problems. The President must not veto America into default. It is time we pass a real plan that cuts spending and avoids default. We don't need to wait until midnight on August 1 or August 2. We can do it, and we should do it today.

Madam President, I yield the floor.

The PRESIDING OFFICER. The majority leader is recognized.

#### EXTENSION OF MORNING BUSINESS

Mr. REID. Madam President, I ask unanimous consent that morning business be extended until 7 p.m., with Senators permitted to speak for up to 10 minutes each during that time; and further, that I be recognized at 7 p.m.

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

The Senator from West Virginia.

#### TOUGH FISCAL CHOICES

Mr. MANCHIN. Madam President, I rise today to speak about the tough fiscal choices this body, this government, and our President now face. But before I say anything else, I wish to start off with a profound apology. I want to apologize to every West Virginian and all Americans for the terrible process they have been made to endure and witness. With 5 days before the August 2 deadline to raise the debt ceiling, this government faces yet another crisis of its own making. Yet it is not we who pay the price for our failures to govern, it is the American people. To the tens of millions of American families who work hard to take care of their fami-

lies, I can only imagine the anger and disgust they have at witnessing a broken government and a President and Members of Congress who can't seem to even agree sometimes on what day it is, let alone on how to solve the Nation's debt crisis.

The American people deserve better.

Some will say Washington is broken and that is the best we can do, but I do not believe that for one moment. Washington may be broken, but it will not break me, and you should not let it break you either. I came to fix things, not to make things worse. I came to solve problems, not to ignore them, and I came to worry about the next generation, not my next election.

I, for one, am willing to make the tough and painful decisions that will improve the lives of every West Virginian and all Americans for generations to come, regardless of what it means for my party or for the next election, and I know I am not alone.

After our beloved Senator Byrd passed away, I chose to run for the Senate for one simple reason: I saw the great challenges our Nation faced: exploding debts and deficits, our Nation's energy dependence, costly wars in Afghanistan and Iraq and a painful jobs and economic crisis, and I wanted to help make things better by bringing a little common sense to Washington. I knew we had to focus on rebuilding America and doing so meant making hard, politically difficult choices.

Some of my colleagues often remind me that fixing problems as complex as our debt crisis isn't easy. But with all due respect, it seems we make it harder than it needs to be. My friends, it doesn't need to be this way.

I did not come to Washington with the illusion that I could reinvent the wheel, but I did come to help balance the wheels and make the car run a little smoother.

Months ago, when I said I would not vote to raise the debt ceiling without a long-term fix, I thought this Congress and our President would be able to tackle the issue head-on and have it done by now. As I made clear on that day, the choices we make to address our debt now will determine whether the vital programs we all deeply care about, Social Security, Medicare, Medicaid, our veterans programs, education for our children, Head Start, are there for those in need and for the decades to come. However, instead of coming together months ago to focus and deal with the gravity of our debt, we delayed, and we continue to delegate.

While I will never question someone's motivations or their heart, we all have a right to question the strategies of our leaders and colleagues, whether they are Democrats or Republicans, because these strategies have once again led us to a crisis and the brink of a disaster. At a minimum, this entire process has, once again, fed a growing public cynicism that is corrosive to the very fabric of our government, and we all bear the responsibility for that.

I truly believe we can do better. I know this to be true because we proved it in West Virginia.

When I first became Governor of the great State of West Virginia, our State faced similar grave fiscal concerns. After facing dismal credit ratings for far too long and a dark fiscal future, some thought our State's best days were behind us. But after confronting our fiscal challenges head-on in West Virginia, even during the deepest recession in our lifetimes, we are one of the few States in the Nation that has had its credit rating upgraded the last 3 years in a row, and we had surpluses for 6 years in a row during the toughest times. We did this in West Virginia by cutting spending but not cutting the vital programs or services we hold so dear. We did this not by raising tax rates but by ensuring that everyone paid their fair share in our State. We did this by tackling waste, fraud, and abuse so as to ensure that we took care of those most in need, not those bent on greed. By doing this, we helped to restore confidence to the economy of our State, and that is a factor we can't overestimate.

West Virginia may be a small State, but these are commonsense solutions I strongly believe can apply right here.

I did not blame these fiscal challenges we had in our State on the mistakes made by past Governors or legislators, whether they were Democrats or Republicans. I reached out to all members of our legislature, whether they were on the front row or the so-called back row, and I met with them and anyone who had an idea on how we best could solve our fiscal problems. It required sacrifice, it required patience, and it required trust and respect. Can anyone honestly say that with all that has taken place here? In fact, if we turn on cable news right now, we will see exactly where this broken process stands. We as Democrats sometimes are rushing out to attack our colleagues, the Republicans, and the Republicans are rushing out to attack us, the Democrats.

We are better than this, and for the sake of this Nation's future we must do better. I owe it to all West Virginians and we all owe it to this great Nation to do much better than we have. From time to time, we should remind ourselves we took an oath to do just that.

As idealistic as it may sound, I implore this great body, each Member, the leaders of both bodies, the President, the two parties, and especially the political committees, to put away their political knives and swords and let us do something that has become rare in Washington: Put aside the political attacks for a few months and actually work together, openly, honestly, with respect for our profound differences, and build a trust that will fix the big problems we face as a nation.

The stakes are too high to do anything else. Our Nation faces not only a threat of default but of a downgrade. The credit rating agencies, such as

Standard & Poor's, have made it clear that the United States needs to cut nearly \$4 trillion over the next decade or they will lose the confidence in our long-term ability to pay our bills.

Yet in my estimation, neither of the two plans that are currently proposed by both Republican and Democratic leadership comes close to preventing our Nation from being downgraded or actually solving the debt crisis we face. Each falls far short, whether it is in time or dollars.

The truth is, both of the plans being discussed and that the Senate may consider, one offered by the leader of the Republican Party, Speaker JOHN BOEHNER, and the other offered by the leader of our Chamber and my party, Senator REID, do not solve the Nation's long-term fiscal problems as presented.

Make no mistake, I have the utmost respect for both of these fine public servants. Both find themselves in difficult positions, and I know they are trying their best to do what is right. I understand the desire to prevent our Nation's default. But what we have before us are effectively a short-term fix and a shorter term fix. Either one might prevent a default, which is a good thing, but neither may prevent a credit downgrade, which is a terrible thing.

To me, it doesn't matter if it is a Republican proposal or a Democratic proposal, but including \$1.2 trillion in savings from the wars we should not be fighting as savings doesn't make sense. Saying we will save money that we haven't even budgeted or spent is akin to saying that because your family bought a \$20,000 car instead of a \$50,000 car, you saved \$30,000. It is even worse when we consider we couldn't afford to buy any car in the first place. Most of the American people understand that, and I know in West Virginia they do.

As for Speaker BOEHNER's plan, his was supposed to save \$1.2 trillion, but the Congressional Budget Office just took a look and determined it would save only \$917 billion. So instead of fixing our problem, it kicks the can down the road to 2012, which will be an election year. If we think this process is ugly now, we ain't seen anything yet.

As these two proposals currently stand, I could not, in good conscience, support either one of them unless they include a pathway for a long-term debt fix. While it is true our Nation will suffer if we only enact a short-term deal, we will suffer much more if we fail to fix our greater fiscal problems.

We must solve our Nation's problems now, not in 2012 and certainly not in 2013. This is not just my opinion. As many rating agencies have warned and economists have predicted, every year that goes by, the options on how to fix our looming debt crisis will become worse and worse.

If we are being honest, neither of these proposals, as they stand today, can prevent a credit rating agency's downgrade, an event that would be as catastrophic or maybe even worse than

default because I, personally, know a government's climb back from a low credit rating is extremely long and painful.

To be clear, a downgrade in our credit worthiness could lead to selloff of stocks, Treasury securities, and U.S. dollars. Gold prices could rise even higher, and interest rates could increase across the board, which would not only have a devastating impact on consumers, small businesses, and local governments but would make the price of financing our Nation's debt even more costly. At a minimum, the shock to our Nation's confidence from our first-ever downgrade could prove more costly than we could even fathom.

We can't let this happen. For the sake of our Nation's future, we must come to a compromise that acknowledges that a long-term debt fix is needed and our spending is out of control and that raising tax rates, whether it is the rich, the middle class, and most especially even the poor, will not cure our spending problems.

But we must also come to a compromise that acknowledges that tax reform is not the same as raising taxes and that there is something morally wrong when a large corporation, such as G.E., pays zero in Federal taxes while small businesses or a middle-class family pays more.

We must also come to a compromise that finally acknowledges we simply can't fight three wars for years to come while we cut services here at home and we choose to keep taxes low. I have said this before, but it is so important. If I have to choose between rebuilding America and rebuilding Afghanistan, I choose America.

So with the clock ticking toward default, what can we do?

As part of any deal to raise the debt ceiling, I would respectfully encourage leaders in the Senate and the House and our President to find common ground by committing to a guaranteed vote on a long-term fix; otherwise, as I said months ago, I simply cannot support a short-term deal that is just a little better than the shorter term deal.

With all due respect to my colleagues, I will not look West Virginians in the eye and say: Don't worry, all is good; I saved myself for the 2012 election, but you are on your own.

A vote on such a long-term debt fix, I would hope, could come within the next 90 days or a reasonable period of time so as to prevent what I fear the most, a downgrade of our Nation's credit rating. I believe such a vote on a long-term fix is possible because many good people have already worked hard to put together the framework and pieces of what such a long-term fix could look like.

Already we have seen two promising, commonsense proposals from bipartisan groups: the Bowles-Simpson debt commission, which presented its report nearly 9 months ago, and a similar framework that was presented last week by the bipartisan Gang of 6.

In fact, the day the Gang of 6 announced their proposed framework was one of my better and prouder days as a Senator. For the first time since I have been in the Senate, I saw Democratic and Republican Senators, almost equally divided, come together to put politics aside and agree to the principles of a commonsense solution that recognizes the urgency of fixing our long-term problems.

No plan is perfect; no plan will be. No plan will please all, and no plan can. But within these two plans I believe lies the path our Nation can take if we are to get our fiscal house in order. Of course, some will have other ideas, whether from the right or whether from the left, and we should listen to them all. But I would ask each of us and all the groups that undoubtedly will be mobilized to stop any fix, to think hard about what will happen to our great Nation if we fail and do nothing. What will happen to the programs we cherish, such as Social Security and Medicare, for all those people who depend on that for their only means of livelihood? What will happen to our Nation's defense and to our tax rates? What will happen to the people who are truly in need? What will happen to our seniors, our veterans, and our children if we choose to do little or nothing at all?

Finally, as the negotiations for this long-term fix proceed, I would hope we could all remember that if we are to negotiate in good faith, we must have faith in each other. We cannot turn a fair compromise into the enemy, and we can't tear each other apart with attacks if we are to come together to solve our Nation's great problems. We can respectfully disagree as long as we never forget to respect each other.

As difficult as the next few days and weeks and months will be, I believe we, the President and this esteemed Congress, have the opportunity to make this one of our finest hours. We have within our hands an opportunity where we can prove to the naysayers and the doubters that the government of the people is as great as the people which it serves.

I, for one, am willing to do whatever I possibly can, whatever is asked of me; I will work hard every day, across the aisle, until we have a long-term solution to our debt crisis.

I know no Senator or Member of Congress can do this alone. But together, putting politics aside, we can do this. For the sake of this great Nation, our children, the State I love, West Virginia, and this wonderful country of ours, the United States of America, I truly hope we do.

I suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. FRANKEN). The clerk will call the roll. The legislative clerk proceeded to call the roll.

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

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

#### DEFENSE DEPARTMENT INSPECTOR GENERAL AUDITS

Mr. GRASSLEY. Mr. President, at least two times in the last couple of months I have come to the floor to tell my colleagues about some work I am doing on investigation of waste, fraud, and abuse in the Defense Department and primarily to focus them on the work of the Inspector General's Office in regard to how they do audits. So I come to the floor today to renew my call for better audit reports.

As a Senator dedicated to watchdogging the taxpayers' money, audits are a primary instrument in my toolbox. They are like a hammer and a wrench. They are the tools of the trade. But like other Members of Congress conducting oversight, I can't do audits. We don't have staff for that, so we must rely on the inspectors general of the various departments to do the independent audits of the work of those departments. So today I speak about the Defense Department inspector general.

The audit should be the inspector general's primary weapon for rooting out fraud, waste, and theft. Audits should be the tip of their spear, and that spear should have a very sharp point. The mere possibility of audit should have the fraudsters—people who commit fraud—quaking in their boots, but that is not the way it is, at least not at the Defense Department.

The audit weapon belonging to the Defense Department's inspector general is not as effective as it should be. This problem is not entirely the inspector general's own doing. The broken Defense Department accounting system is also to blame. It is incapable of generating accurate and complete finance and accounting data. When the books are in shambles, as they are, then there are no audit trails to follow, and following the money is how we get to the bottom of things when it comes to waste, fraud, abuse, and mismanagement. Of course, that makes the auditor's job doubly difficult. So the auditors need to adjust the audit strategy to meet the challenge that there is not a very good financial management system within the Defense Department.

As a watchdog, degraded audit capabilities give me serious heartburn. It puts the taxpayers' money in harm's way. When we have unreliable accounting data coupled with ineffective auditing, theft and waste can thrive undetected. Those concerns are the driving force behind my ongoing audit oversight review.

Starting in January of 2009, I began receiving anonymous letters from whistleblowers. They alleged gross mismanagement in the audit office. In response, my staff initiated an in-depth oversight review. It focused on audit reporting by that Inspector General's Office.

On September 7, 2010, I issued my first report. It evaluated 113 audit reports issued in fiscal year 2009. That study determined that those audits,

which cost the taxpayers about \$100 million, were not on target. I offered 12 recommendations for getting the audit process back on track.

Inspector General Heddell responded to my report in a very positive and constructive way. He promised to "transform the audit organization." The newly appointed deputy for auditing, Mr. Dan Blair, produced a roadmap pointing the way forward. He, too, promised reform and transformation and the creation of a "world-class oversight organization." All of this, of course, was music to my ears. All signals were very encouraging. But the big question before us now is this: When will the promised reforms begin to pop up on the radar screen? And that radar screen is our further reading of additional audits as they come out this fiscal year and into the future. When will we see sustained improvement in audit quality?

To establish a solid baseline for assessing the highly touted transformation plan, my staff took another snapshot of recent audits. My latest oversight review is best characterized as a report card, and it was issued on June 1 of this year. Each of the 113 unclassified reports published in fiscal year 2010 was reviewed, evaluated, and graded. After each report was graded, all the scores for each report on each rating category were added up and averaged. This created a composite score for each of the 113 reports.

Although 15 top-quality audits are highlighted in the report card, the overall score for all 113 was D-minus. That is low, I know. Maybe the score should have been a little higher. Obviously, the grading system isn't perfect. It may need some fine-tuning, and we are working on that. But I still believe it provides a rough measure of audit quality.

Clearly, none of the 2010 reports reflected any reforms that Inspector General Heddell put in place in December of 2010 because all those reports were published 3 months before the reforms went into place before October 1, 2010. That was a good 3 months before those reforms were approved.

Shortly after my report card was issued, Inspector General Heddell pounced on it. He objected to the low score. He complained that it did not adequately reflect \$4.2 billion in what he calls "achieved monetary benefits" identified in the 2010 audits.

To address Mr. Heddell's concerns, I had my staff ask the audit office to prepare an information paper on the reported savings. That document was provided to me on June 20. I call it a "crosswalk." It takes me to the exact page in each report where savings are discussed and identified. This document lists \$4.2 billion in "identified potential monetary benefits" and \$4.2 billion in "collections." These alleged savings were uncovered in 19 reports, including one classified report we didn't look at.

After reviewing the crosswalk, I concluded that Inspector General Heddell