

have the unanimous support of the Judiciary Committee. Five of the six judges we will confirm today come from States with Republican Senators, and all five have the support of that Republican Senator.

This month, the Senate will also take up three appropriations bills. Last month, we passed a continuing resolution to fund the government through November 18. Now we must finish our work on the annual appropriations bills.

We will also take up three trade bills this work period. Last month, the Senate passed trade adjustment assistance legislation which helps U.S. workers who lose their jobs because of international trade learn new skills and re-enter a changing workforce. A global economy means global competition, and a flexible, well-trained workforce is what will allow us to keep pace with our rivals. That is why Democrats insisted on passing trade adjustment assistance before we would take up those three trade bills we will soon consider—Panama, Korea, and Colombia.

Republicans have said these trade agreements are important to them. Yet for months they have prevented them from moving forward by stalling trade adjustment assistance. I hope the House will not delay any longer on their taking up trade adjustment assistance. I am told they will not.

The Senate will also take up President Obama's American Jobs Act this month. Members of both parties should rally behind the commonsense, bipartisan approach of this legislation. It will cut taxes for working families and small businesses to spur job creation and put Americans to work restoring this Nation's decaying roads, bridges, dams, and schools. I am happy to work with my colleagues on both sides of the aisle to improve this bill, but I hope the obstructionism Republicans have employed for the last 9 months will not continue.

This year, Democrats have introduced jobs bill after jobs bill. Meanwhile, our Republican colleagues have put their own political agenda ahead of the Nation's jobs agenda. They claim they are willing to work in a bipartisan fashion to get our economy back on track, and this month they will get another chance to prove this. So I urge my Republican friends to remember that actions speak much louder than words. I hope they will take time out from rooting for our very difficult economy to fail for the sake of politics and help Democrats put this Nation back to work.

Would the Chair announce morning business.

MORNING BUSINESS

The ACTING PRESIDENT pro tempore. Under the previous order, the Senate will be in a period of morning business until 3:30 p.m., with Senators permitted to speak therein for up to 10 minutes each.

Mr. REID. I note the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The bill clerk proceeded to call the roll.

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

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

LEGISLATIVE PRIORITIES

Mr. MCCAIN. Mr. President, I paid attention to the remarks made by the majority leader concerning the upcoming schedule for the next week or 2 or 3 and the fact that we are now considering the motion to proceed to a bill pertaining to Chinese currency.

I understand very well that it is the prerogative of the majority leader to set the legislative agenda of the Senate, and I respect that prerogative. But I have to express some amazement that the issue of the Chinese currency is taking precedence over the myriad of other important issues we should be acting on.

One of the articles in today's CQ Today says:

Last year, it looked like the time was right for Congress to confront China.

"[A] similar bill" was passed by the House.

This year, the expected bulwark against the measure is the GOP-controlled House, where top Republicans are echoing concerns from the business community that enacting the measure could spark a trade war.

Republican leaders uniformly voted against the China measure last year, bucking the majority of their party, while Democrats voted . . . for the bill.

Schumer—

Speaking of the Senator from New York—

argues that a strong Senate vote this time around would make it "hard for the House to block it."

But an aide to House Majority Leader Eric Cantor of Virginia says there are no plans to vote on China currency legislation.

So with over 9 percent unemployment, with the debt and deficit continuing to run out of control, with the 12 or 13 appropriations bills not acted on, with the Defense authorization bill, perhaps for the first time in 41 years, not being taken up by the Senate, now, in its wisdom, under the leadership of the majority leader, we will be taking up the China currency bill.

China currency is an important issue. I think it is worthy of debate and discussion in happier times. But if one has any curiosity about the low esteem with which Congress is being held, then no better example of that is the way we

have addressed the issues, including not passing a budget, which is against our own law, for the second consecutive year; including going through a continuing resolution rather than authorizing and appropriating the functions of government, as is the responsibility of the Congress of the United States.

Here we are, as I said, unemployment is 9.1 percent, with an estimated 14 million Americans out of work; 228,098 homes are in foreclosure nationwide, a jump of 7 percent from July to August of this year. In my home State of Arizona, 1 in every 248 homes is in foreclosure, the third worst in the Nation. In the majority leader's home State—No. 1 in the Nation—1 in every 118 homes is in foreclosure.

Mr. President, 22.5 percent of the homes in America are "underwater," meaning their mortgage is more than their home is worth. In Arizona, that number is 49 percent. In Nevada, 60 percent of the homes are underwater.

We have a \$1.3 trillion deficit. We have a debt of nearly \$14.8 trillion. It represents \$43,357 for every man, woman, and child in America.

So we will take up before the Senate the China currency bill—the China currency bill. Then someone in this body may wonder why the approval rating of Congress is—one I saw was 12 percent, one 13 percent. I think proceeding in this fashion we may be able, with some success, to drive that down into single digits.

I hold townhall meetings, as most of my colleagues in Congress do as well, and people are very angry at Congress. We, understandably, look at the President's approval ratings. I would urge my colleagues to look at those approval ratings of Congress. As I have often said, and have probably worn out the line, we now have such high rates of disapproval that we are down to blood relatives and paid staffers.

So here we are, with the fiscal year having begun on the first of October, for the first time in 41 years, apparently, we are not going to schedule or pass a Defense authorization bill. The Defense authorization bill, in my view—and it is a biased view because of my membership on that committee for so many years; but not totally biased—authorizes pay and personnel. It budgets training and equipping the Afghan security forces. It fully supports the budget request of \$1.75 billion in coalition support. It fully supports the budget request to support the activities of the Office of Security Cooperation in Iraq. It increases the funding for cybersecurity initiatives. It provides a provision that would require DOD to acquire and incorporate capabilities for discovering previously unknown cyber attacks on its networks. It covers missile defense, strategic capabilities, nuclear safety, and nuclear proliferation. It supports crucial defense modernization programs.

RESERVATION OF LEADER TIME

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

My friends, there is no more compelling requirement than that of the defense of this Nation. The Armed Services Committee, of which I am a proud member, and work in a bipartisan fashion with the distinguished chairman, Senator LEVIN from Michigan—puts in long hours, and we scrutinize and we study and we have hearings and we try to do the people's work in the vital and important mission of defending this Nation.

So now the fiscal year has expired. We are operating on a "continuing resolution," and what is the issue before the body, the august body, the world's greatest deliberating body, according to some? The China currency bill—the China currency bill—which we expect to take up for the entire week, which according to any reliable report will never see the light of day in the other body.

Now, there have been controversies surrounding the Defense authorization bill not only this year but in previous years. I strenuously objected last year to the repeal of the don't ask, don't tell being included in the Defense authorization bill until we had a chance to assess the effect on morale, readiness, recruitment, and battle effectiveness, which was the view of the majority of the chiefs of the services.

The year before, we took up a hate crimes bill and put it on the Defense authorization bill. My objection was that it had nothing to do with our Nation's defense. But there are many issues that need to be addressed, many issues concerning detainee treatment, concerning other issues, which are controversial.

But the job of the Senate is to debate and to amend and to pass legislation. What is more important—what is more important—than the security of this Nation and the care for the men and women who are serving in the military?

I note the presence of the majority leader on the Senate floor. I have urged him privately on several occasions to bring up the Defense authorization bill. He responded to me—and I am sure he may respond—that there are issues concerning detainees, about trials in the United States, about Guantanamo Bay. My response to the majority leader has been, those are issues the Senate should debate; those are issues the Senate should make its judgment on; and I assured him—and I assure him again—that I will consider the objections and reservations that the President and the executive branch have to some provisions in the bill, particularly concerning detainee treatment. I give great deference to the view of the executive branch and the President of the United States. But that does not mean we should not take up the bill. It does not mean we should not take up the Defense authorization bill and the appropriations bills following.

First, we authorize. Then we are supposed to appropriate. The Senator from Nevada, the distinguished majority

leader, and I came to the Senate together more years ago than we would like to remind some of our colleagues. But 20-some years ago, when we came to this body, we regularly took up authorization and appropriations bills. We took them up one by one, we had debate, and we had amendments.

By the way, the practice of filling up the tree, which both sides of the aisle in this body are guilty of, was not heard of in those days.

I know the majority leader's time is valuable. I would just remind my friends that the legislative calendar, which is here, is waiting consideration.

Here are just a few of the authorizing bills waiting consideration. The Senate Armed Services Committee has approved the National Defense Authorization Act for fiscal year 2012. The Committee on Homeland Security and Governmental Affairs has approved the Department of Homeland Security Authorization Act. The Senate Finance Committee has approved the Airport and Airway Trust Fund Reauthorization Act. The Senate Environment and Public Works Committee has approved the Surface Transportation Extension Act.

Today is October 3—the third day of fiscal year 2012—and guess how many of the 12 annual appropriations bills have passed this body? The answer is one. It is not as if the bills are not ready for floor consideration. They have been cleared and placed on the legislative calendar. So why not bring them to the floor for debate and amendments—the Agriculture appropriations bill, the Commerce, State, and Justice appropriations bill. All of these, by the way, should have been preceded by authorizing legislation.

What has happened around here, unfortunately, for the majority of the Members of the Senate is that by virtue of the fact that we do not take up authorization bills for the functions of various branches of government, it renders the appropriations process transcendent in the deliberations and conclusions this body has made, thereby making members of the Appropriations Committee have an unwarranted, in my view, but certainly far more impactful role in the Senate than the members of the authorizing committees.

I intend to continue to work in this body and with some of the newer Members to change that process, to require appropriations bills to reflect the authorizing committees' legislation, that the Appropriations Committee not be permitted to authorize, which is not their role, which over the years has become more and more prevalent and routine.

My office resides in the Russell Senate Office Building, which is named after a distinguished chairman of the Armed Services Committee—a committee of which I am the ranking member. He was a distinguished chairman of the Armed Services Committee, a distinguished Member of this body. I

am sure if he were on this floor today, that former distinguished chairman of the Armed Services Committee would be making the same remarks I am today.

The responsibilities—not the privileges but the responsibilities—of those of us on the authorizing committees, including the Armed Services Committee this year, have been abrogated and overcome by a process which is clearly gridlocked.

I recognize the presence of the majority leader on the floor. I yield to the majority leader and then will return to my remarks following his.

The ACTING PRESIDENT pro tempore. The majority leader.

Mr. REID. Mr. President, the speech given by my friend, the senior Senator from Arizona, is a speech I could give, because he is absolutely right. We have so much we have to do. But we have had a problem because of the Republicans in the Senate. We have spent basically 100 percent of our time these last 9 months on 2 issues that should have taken a matter of a few hours but have taken months and months, the continuing resolutions.

We voted on the continuing resolution—for 1 week, 2 weeks, on and on for months, trying to fund government—2 or 3 days ago, the 1st of October. It took months to get that done. Then as soon as we finished that, that little exercise is only preparation for the long-standing time that we had to spend on raising the debt ceiling, something we had done with ease scores of other times. During the 8 years of President Reagan, for example, we raised the debt ceiling for him 18 times. But we spent months—months—on this continuing resolution and on this debt ceiling, and it prevented us from doing our work. So the words my friend from Arizona has given about all of the work that needs to be done do not include all of the work we have to do.

I do not think there could be a more important piece of legislation right now, with the jobs being the way they are, than China currency. Everyone knows how they have manipulated their currency, which has been very difficult for our country. We have lost in the last 10 years, because of that, 2 million jobs; jobs that should be our jobs if the currency were fair. But it is not. It is manipulated.

This is a jobs bill we are on today. It is a bipartisan piece of legislation that has been supported by large numbers of Democrats and Republicans. We have put this off for a long time. Now is the time to do this. We must send a message to the Chinese that we are serious.

We have for 50 years every year passed a Defense authorization bill. We need to do it this year. It is extremely important for a number of reasons. One is these programs are important. We need to take care of our soldiers, sailors, marines, airmen. It sets funding levels for weapons and ammunition programs and authorizes activities of the Armed Forces around the world. It

contains authorizations—new authorizations—for programs that are extremely important to this country, including counternarcotics efforts that are critical to our efforts around the world.

This Defense authorization bill is also a bill that has some of the best oversight of any of the work that we do. The Armed Services Committee does good work in looking at the oversight of the military. This is a civilian oversight responsibility we have and we need to complete that.

I agree with my friend from Arizona, it is vital that we get to this bill and pass it. But I also say that in its present form, I am going to have some difficulty bringing this bill to the floor. It contains provisions relating to the detention of terrorism suspects, which in the words of National Security Advisor John Brennan:

would be disastrous. It would tie the hands of counterterrorism professionals by eliminating tools and authorities that have been absolutely essential to their success.

To show you how extremely important it is that we do something about these provisions in this bill that are just wrong, both the Judiciary Committee in the Senate and the Intelligence Committee in the Senate have asked for hearings on this provision in this bill.

Going back to my original subject on China trade, the House of Representatives is going to pass China trade. Everybody knows that now. A couple of months ago that may not have been the case, but they will pass that as soon as we do.

I would hope my friend from Arizona, who we all have such admiration and respect for—we know how much he cares about our country and particularly about the Armed Forces of our country. I wish he would consider doing what we did last year. We had another problem with the Defense authorization bill, not from our perspective, as it is today, but it was from his perspective, because he felt very strongly that don't ask, don't tell should not be in the Defense authorization bill. I disagreed with him vehemently. But we agreed to take that out of the bill and have a separate vote on don't ask, don't tell. It worked out fine. I moved that during the lameduck session. People criticized me for bringing it up. But it is something I felt I had to do because that was an agreement I had with people who cared a great deal about that. I received lots of criticism because I took it out of the Defense bill or had it taken out of the Defense authorization bill.

I would say to my friend, the Senator from Arizona—and he is my friend—that we take this provision out of this bill and bring it up, have an up-or-down vote on however you want to handle that. Let the Judiciary Committee and Intelligence Committee do their work on this provision. It is not a good provision.

Since it was put in that bill, we have had some significant changes around

the world, and it would be such a detriment to what we need to do to get these bad guys, to keep this provision in the bill. So I would hope my friend would treat this provision as I treated don't ask, don't tell. He complained about that. I did not think he was right, but I thought it was so important that we move to this Defense authorization bill that it was taken out.

We need to do that with this. It would be better for our country, it would be better for the Senate, and it would be better for the bipartisanship work we have to do around here. I do not in any way criticize my friend for bringing this up. I have talked to him privately. I have talked to Senator LEVIN, the chairman of that committee, on a number of occasions. I have expressed in the recent weeks that we have a problem with this provision. And, in fact, I did not know the Senator from Arizona was going to be here today. I have a letter in my office I have been looking over. I was going to have it hand-delivered to Senator MCCAIN and Senator LEVIN today, and I will continue doing that. The whole subject of my letter was to explain to them the problem with this.

The ACTING PRESIDENT pro tempore. The Senator from Arizona.

Mr. MCCAIN. I thank the majority leader for his comments. First of all, on the issue of China currency, I believe it is correct that the administration itself objects to this legislation, much less the other body taking it up. I say with great respect to the majority leader and his knowledge of the economy and the jobs that have been lost to China, China currency may be part of the problem, but it is certainly not the reason for the 2 million jobs lost. Certainly the majority of the reason for that is for other reasons which have been well ventilated.

I say to the majority leader, I would be glad and will continue to sit down with the administration and with the majority leader and with Senator LEVIN on this issue of detainee treatment. The fact is that the President of the United States began his tenure as President of the United States with the commitment to close Guantanamo Bay. I want to close Guantanamo Bay. I have made that very clear. But Guantanamo Bay cannot, for all practical purposes, be closed at this time. That brings in other issues such as treatment of people who are apprehended and attempting to inflict damage and mayhem on the people of the United States.

I think it is something we can work out. I would hope we would be able to debate and amend, which is the usual way we address issues in this body, rather than refusing to bring legislation to the floor because there is a particular objection to it.

Last year, as the majority leader pointed out, I was opposed to the repeal of don't ask, don't tell on the grounds that the same view I had was that of the service chiefs, that we need-

ed to assess the impact of repeal on retention readiness and battle effectiveness. But that should not, in my view, be the reason for us not to take up the legislation this year.

I am sure the majority leader is aware, this would be the first time in 41 years we are in two wars. We have to address the issues that only the authorizing committee is capable and chartered to do. So I hope the majority leader would observe that we could take up this legislation, debate it, amend it. The President always has veto authority if he wishes to veto it. We also have the other body on the other side of the Capitol that would play a role in this. We would go through the normal process of passing the Defense authorization bill, which has been a tradition for some 41 years here in the Senate.

I do appreciate the majority leader taking the time from his busy schedule to come to the floor and express his reasoning behind the schedule that he has set for the Senate, which is well within his authority.

I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The bill clerk proceeded to call the roll.

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

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

Mr. MCCAIN. Mr. President, as I was saying, we have only 1 of the 12 authorization bills that has been considered by the Senate to date, which was the Military Construction, Veterans Affairs appropriations bill. The Senate passed that bill on July 20. Congress did not enact a single one of the annual appropriations bills through regular order last year or a budget last year or this year. What kind of message do we send the American people when they are suffering under unprecedented and unacceptable economically difficult times? We are sending the message that either we are unable or unwilling to address the issues that are affecting their very lives.

When I go home and find people without jobs and with half of the homes underwater, when I find people out of work, when I pass by the shuttered and closed strip malls throughout my State of Arizona, and then hold a townhall meeting, obviously my constituents are angry and frustrated. I do not know of a single townhall meeting that I have had, not a single one, where someone stood up and said: Pass the China currency bill and then our lives will be improved.

I am sure that with some the China currency bill is one of some importance and priority.

Certainly, I don't think it is in the top 10 priorities of the people I represent in the State of Arizona, but our Nation's security is important to my constituents. We have a sizable military presence in Arizona. The national

defense authorization bill that has passed through the Armed Services Committee is very important to the people of this country and our security in these very uncertain times.

I hope the majority leader will agree to change his priorities and bring the bill to the floor. I will continue to work to resolve concerns he or the administration has expressed concerning the legislation itself. But because the executive branch has concerns about legislation and objections to legislation, that should not prevent it from coming to the floor of the Senate. That should not be a reason why the Senate should not exercise its responsibilities to debate, to amend, and to authorize all these much needed priorities for the men and women who are serving our country with courage and efficiency. It is our job to provide them with whatever they need to do their job in the most efficient fashion.

I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The bill clerk proceeded to call the roll.

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

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

CURRENCY EXCHANGE RATE OVERSIGHT REFORM ACT

Mr. SESSIONS. Mr. President, I wish to speak on the Currency Exchange Rate Oversight Reform Act, S. 1619, on which I believe we will be voting. I support it, as I expect my colleague from Arizona does with his principal commitment to trade and vibrant competitive commerce in the world.

I acknowledge that our commitment to commerce and trade is fundamental to our Nation. America has always been a country with open ports and open markets. When trade is conducted properly, I am convinced it creates a rising tide of prosperity in America and around the world. I am not against trade. More than that, I think the voluntary exchange of goods does promote the free exchange of ideas. Trade helped us to export our values of a free democratic society, but, like democracy itself, trade must operate under a set of rules and values.

Jobs have been lost as a result of unfair trade practices. Perhaps the most dramatic unfair trade practice existing in the world today is China's very substantial manipulation of its currency—a 30-percent, 40-percent, 25-percent alteration in the value of its currency—and it has created an extraordinary deficit that has cost jobs in this country. Whether it is 2 million or fewer, it has cost jobs of decent, hard-working Americans. It has occurred because of manipulation of the currency. It is a very real matter.

We need to fight for and aggressively defend every single job this country

has, and we need to say no to unfair trade practices. We are going to insist that the trade rules apply both ways, that we don't unilaterally accept virtually anything while some of our trading partners—particularly China—can systematically violate them. I think fairness is the right thing, and we must refuse to acquiesce and accept this existing trade practice.

Look, nations whose economies have historically struggled are those that have failed to uphold the rule of law. In my view, that is a fundamental part of America's greatness—our commitment to law—and it has made us economically powerful, as well as free.

Many nations that have been unable to ensure contracts are honored and protect the integrity of financial agreements can't be successful in a commercially competitive world. When companies form a business partnership, they sign a contract to ensure that each party meets its obligations. The principle is the same with free trade. A trading partnership with China or other countries must be founded on principles upon which both parties can agree, principles and agreements which are to the mutual benefit of both parties. It is the job of our leaders to negotiate these agreements on behalf of the American workers, not to stand against them.

This is even more crucial with a nation such as China, which relentlessly, through its political apparatus, seeks to advance its own national interests. China's currency manipulation clearly puts American workers and U.S.-based businesses at a huge disadvantage, particularly in this time of economic hardship. This unfairness has to be confronted. We have talked about it but have not confronted it.

Almost all economists agree that China intentionally undervalues its currency—RMB—by as much as 30 percent.

The Employment Policy Institute argues this:

This intervention makes the RMB artificially cheap relative to the dollar, effectively subsidizing Chinese exports.

Where? Mostly to the United States. So I believe the devaluation of the currency clearly subsidizes exports of Chinese goods to the United States.

They go on to say this:

Currency intervention also artificially raises the cost of U.S. exports to China. . . .

So our goods that go there are higher in China than they would be, making the Chinese less able to buy them than otherwise would be the case. The goods they ship to the United States come in cheaper than they otherwise would be, making them more attractive to American consumers. This is a big factor in the surging and huge trade deficit between our countries. I think it is indisputable that is so. In other words, the Chinese give their products a 30-percent discount in the United States and make our exports cost 30 percent more in China. I think few economists would argue with that.

China's currency manipulation has been a major factor in the erosion of our Nation's manufacturing base and left millions of U.S. workers without jobs. It is a factor in job loss in America. In Alabama, the EPI estimates—and I don't know whether this is an accurate number. I am sure we have lost jobs as a result of this currency manipulation, but this is the estimate the EPI had: It has put more than 44,000 people out of work in Alabama since 2001—44,000. We just celebrated a number of economic developments in my State. We have been having some success over the years. We have 3 automobile plants, with investment from abroad, and each one has added about 4,000 jobs. According to this study, we have lost 44,000 jobs to China as a result of this currency. Again, there are disputes about how much and how large the impact is. I don't think there is any doubt it is substantial. We have been feeling it for years.

Another recent study reached a similar conclusion. It was written up in the Wall Street Journal. It found that regions exposed to trade within the United States from China lose more manufacturing jobs and see an overall decline in unemployment than other areas. They also found that exposure to Chinese imports led to larger increases—and this is common sense—in unemployment; it cost jobs in certain areas in the United States; it led to larger increases in unemployment insurance, government payments, food stamps, disability payments, and other government benefits.

Based on data in the study, the \$300 billion increase in Chinese imports since 1992 has cost the Federal Government more than \$20 billion in such expenditures. They calculated \$20 billion simply based on the increases in food stamps, unemployment insurance, and the like. The irony behind this is that we borrow much of the money we use to pay these Federal benefits from the Chinese, which they then use to continue manipulating their currency. So we are being outmaneuvered and outnegotiated in the process.

Last year, Dan DiMicco, chairman, president, and CEO of Nucor Corporation, which has five steel mills in Alabama, my State—smaller steel mills—testified about modern steel mills. Mr. DiMicco is a national leader in American competitiveness and ideas. He testified before the House Ways and Means Committee, and this is what he said:

Passing this legislation will help because this is a jobs bill, pure and simple. It will do more to stimulate the economy and create jobs than just about anything else Congress can do. And it will not add to our national debt—just the opposite. Ending China's currency manipulation will reinvigorate our manufacturing sector and our economy, reducing our budget deficit. By failing to take the lead and combat China's mercantilist trade practices, we are serving up our jobs, future economic well-being, and national security on a platter.

That is a serious charge. This is a man who is dealing in the real world of