

I have this in this chart. The numbers I am giving do not come from BARB MIKULSKI. They don't come from some wonky, lefty think tank, this comes from the Social Security Actuary, the keeper of the books and the projections for Social Security. For a single woman on Social Security under the chained CPI, from the time she is 65 until the time she is 80, she could lose as much as \$6,000. In other words, the older we get, the worse it will get. Remember, under chained CPI, the older we get, the less we will get; the older we get, the worse it will get.

Myth No. 2 is, this is not an immediate cut. Oh, it is going to go into future beneficiaries. Oh, it is a long way off. Whomever it hits, it will hit hard. Remember the chain reaction. But it is a myth. According to the Social Security Actuary, the chained CPI will affect everyone, and if we pass it as part of the supercommittee, it will go into effect December 2012. It will go into effect immediately, December 2012. That is a pretty big deal.

The third myth is, this change would mirror people's behavior, but it doesn't take into account health care costs, the cost of prescription drugs, copays, and premiums. Remember, one way or the other we are going to change Medicare.

What I want to do at this time is sound the alert. I want to ring the bell. I am at my battle station. I am at my duty station. I want every Senator, when they vote on this, to have informed consent. I want people to read about it and know about it and make up their own minds. I oppose the chained CPI. I oppose Social Security being in the supercommittee. I am not drawing a line in the sand today. I want to say for the supercommittee, God bless them in their work, they are truly pursuing this in a duly diligent way, and we hope we can come to a great resolution where we can reduce our debt, reduce our deficit, and do it in a way that is a balanced approach but does not balance all this on the backs of senior citizens.

FDR signed this bill 75 years ago. Every President, regardless of party, said we will keep the social contract, pay your dues through this payroll tax, Social Security is going to be there for you. We want Social Security to be there for the seniors, and we need to be there for the Social Security Program.

I hope my colleagues put due diligence into understanding this policy.

I yield the floor and note the absence of a quorum.

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

The legislative clerk proceeded to call the roll.

The ACTING PRESIDENT pro tempore. The Senator from Oklahoma.

Mr. COBURN. Madam 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. COBURN. It is my understanding we have until 11 a.m.

The ACTING PRESIDENT pro tempore. The Senator is correct.

#### THE TAX CODE

Mr. COBURN. Madam President, our country is at a crossroads. Anybody who is watching Europe will find that they have been very slow to address the real underlying problems of debt and deficits there. They have a much more difficult time than what we should because they have a monetary union without a political union. We have a monetary and political union.

The fact is that over the next 10 years we are going to have a debt—including borrowing money for student loans, borrowing money to pay back Social Security, what has been stolen—we are going to have a true debt of about \$27 trillion to \$28 trillion. It is absolutely unsustainable. It won't happen—according to Ben Bernanke—because his statement is, the world will not loan us the money.

What is going on in Europe today? What is going on in Europe today is the markets are punishing the countries that have excessive debt-to-GDP ratios. We sit at 100 percent debt to GDP. We see what has happened just in the last 2 weeks to bond rates for Italy. The differential between an Italian bond rate and a German bond rate is now about 430 basis points, a 4.3 differential for the same length maturity bond for Italy versus Germany. What is the difference? Germany is living within the confines of its economic capability. Italy didn't. How does that apply to us? It applies to us in that we are not and what will happen to us if we don't make the difficult changes that are necessary.

There has been a lot of rhetoric on both sides of the aisle and there has been rhetoric from the President in terms of us looking at who pays what in terms of taxes in this country. But nobody is looking at what we are doing with our Tax Code that enables those who are the wealthy in this country to pay less taxes. So I had my staff put together a list of the subsidies for the wealthy in this country, because the answer isn't just to raise taxes; part of the answer is to quit subsidizing these behaviors.

We came up with a piece that we put out called "Subsidies for the Rich and Famous." It is a report that looked at every government program. We looked at everything we do. What we found is every year, for people having adjusted gross incomes above \$1 million, we give \$28 billion worth of benefits in the Tax Code or through our programs. I will tell my colleagues that if we wanted—I am one of those who thinks we ought to reform our Tax Code, we ought to lower the rates, we ought to make it where it actually increases productivity in this country, creates capital investment. But one of the first steps in doing that is to make sure our Tax

Code and our safety net programs are for those who truly need it and not for those who don't.

We went through the total tax breaks of \$113.7 billion over the last 4 years. Mortgage interest: \$27.7 billion in tax breaks to people who are making more than \$1 million a year. That is a lot of dough.

Rental expenses. The writeoff of rental expenses for those making more—we are not talking businesses. None of these are business deductions. These are personal deductions for the very wealthy in this country who are making more than \$1 million adjusted gross income a year. We allow them to write off \$64.3 billion in rental expenses.

Gambling losses. We allowed the rich and famous to reduce their taxes by \$21 billion because we allow them to gamble, and if they lose money, they get to write it off. So we are subsidizing the loss. We are subsidizing their gambling losses.

Canceled debt, debt writeoffs, debt forgiveness. We have allowed \$128 billion in terms of writeoffs for those people making more than \$1 million adjusted gross income.

Business entertainment—and this is not through business, though, not run through a business; this is personal deductions for business entertainment—\$607 billion.

Electric vehicle. What are we seeing? Who are the people taking advantage of our messing in the economy and creating an incentive for somebody to buy an electric vehicle? The vast majority are the people who don't need the writeoff in the first place. What we have is \$12.5 million last year alone in tax credits for the very wealthy to take a \$7,500 or \$8,500 tax credit for buying an electric car.

Childcare, nanny care for the very wealthy last year: \$18 million.

Renewable energy tax credits for the very wealthy: \$75.6 million.

The whole point of putting this report out is we are schizophrenic with our Tax Code. We have it upside down. When people talk about how they want millionaires to pay more—they are paying plenty. The top 1 percent pays 38 percent, the top 20 percent pays 80 percent of all of the taxes in this country. But if we want to start getting at this, the way we do it is start taking away the things that reduce their tax burden that don't make sense, that aren't smart, and that don't help those who need the true safety net in our country. These people aren't dependent on these. They will do fine without them. The whole purpose for most of these programs was to create and sustain a safety net for those who are less fortunate.

When we allow \$113.7 billion in tax breaks for the wealthy over 4 years, what could we do with that money? Well, we could run a NASA that is twice as big. We could not borrow \$113 billion because the interest rates on that are significant; another \$4 billion or \$5 billion a year in interest that we

wouldn't have to borrow. We wouldn't have to make some defense cuts that are going to have to come. We could maybe put more money into Medicare prevention and disease prevention rather than what we have done. There are all sorts of things we could do.

The point behind the report is that most Americans don't realize how we are subsidizing through tax credits the very wealthy in this country. I don't have any real problem with them taking the tax credits. We put it out there. The real question we ought to be asking is why are we doing all of this in the first place. Does the economy itself in a free market not allocate resources better than we can do? How many Chevy Volts have been sold this year? The answer is 5,000. So 5,000 times \$7,500 is what we paid in tax credits to have the Chevy Volt sold because everybody who bought it got a \$7,500 tax credit. If it is a viable product, then let people buy it. If it is not, they won't. Yet who are the people who bought most of the Chevy Volts? People making significantly more than the average American.

If we are going to play in the Tax Code, what we ought to do is play on a very level playing field. If we want to create incentives, then we ought to create incentives that actually will do something for the economy rather than benefit those who make the most money in the economy.

I would say what this spells is a case for us to totally reform our Tax Code. Most people don't realize this is one of the side effects. That is not to say there are not some good side effects. But the fact is when we are running \$1.3 trillion deficits, do we want to be subsidizing the rich and famous in this country with our programs? I would say no.

When Medicare Part B started, 50 percent of the cost of Medicare Part B was to be borne by the Medicare recipient. We are at 25 percent now. There was never any thought—and, remember, nobody ever paid anything for that. In other words, that is all borrowed money to do that. Nobody ever contributed into a Part B fund. They contributed into a Part A fund which, by the way, will be bankrupt in 4½ years. What about those on Part D? Nobody ever paid a penny, and we have \$13 trillion in unfunded liability in Part D. Why should the very wealthy get subsidized drugs in this country? Why should they get subsidized Part D? In other words, we ought to ask ourselves a question.

Think about Social Security. Why is Canada's Social Security system not in trouble? Because Canada looks at how much income a person is making every year, and at certain levels a person gets half of their Social Security because they obviously don't need it because their income is up there, and at a certain other level they get none of it. Why? Because it is based on a means-testing mechanism that says this program is designed to be an un-

derpinning for those who need it. We have gone completely the other way.

My point is we have all this discussion about what we should do. We are wringing our hands. The first thing to do is to fix the Tax Code and the best way to fix it is to say 3 months from now it is going away, and have Finance and Ways and Means Committee in the House come together with a new Tax Code that fixes all of this. Everybody in Washington says that can't be done. Nobody outside of Washington says it can't be done, but we say it can't be done. It can be done. It needs to be done.

If we want a healthy future, we need to reform our Tax Code to generate greater investment, greater job opportunity. We need to lower the rates, and we need to eliminate things such as these that don't truly help the economy, but help those who were smart enough to figure out how to play the game, who are the wealthiest in this country. I am proud of them. I want them to be more successful. But in these difficult times, we need to ask them to contribute more. We need to not have these kinds of programs in our Tax Code that actually subsidize those who need no subsidy.

With that, I yield the floor and note the absence of a quorum.

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

The legislative clerk proceeded to call the roll.

Mr. BEGICH. Madam 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.

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#### CONCLUSION OF MORNING BUSINESS

The ACTING PRESIDENT pro tempore. Morning business is closed.

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#### EXECUTIVE SESSION

NOMINATION OF SHARON L. GLEASON TO BE UNITED STATES DISTRICT JUDGE FOR THE DISTRICT OF ALASKA

NOMINATION OF YVONNE GONZALEZ ROGERS TO BE UNITED STATES DISTRICT JUDGE FOR THE NORTHERN DISTRICT OF CALIFORNIA

The ACTING PRESIDENT pro tempore. Under the previous order, the Senate will proceed to executive session to consider the following nominations, which the clerk will report.

The bill clerk read the nominations of Sharon L. Gleason, of Alaska, to be United States District Judge for the District of Alaska and Yvonne Gonzalez Rogers, of California, to be United States District Judge for the Northern District of California.

The ACTING PRESIDENT pro tempore. Under the previous order, there will be 1 hour for debate, equally divided in the usual form.

The Senator from Alaska.

Mr. BEGICH. Madam President, I am glad the Senate will confirm two more highly experienced Federal judges this morning. I wish to take a moment to speak in support of the nomination of one of Alaska's finest State judges to the Federal bench.

Today, the Senate will vote to confirm the nomination of Judge Sharon Gleason to be a judge for the U.S. District Court for the District of Alaska. I know Sharon quite well, and I recommended her to the President for this opening.

I can say without hesitation that she is one of Alaska's finest. She is smart, she is compassionate, well rounded, and possesses an ample supply of common sense.

Alaska's judicial candidates are rated by their peers, and Judge Gleason consistently receives among the highest marks possible. For these reasons, and many others, I hope all my Senate colleagues will join me in supporting her nomination.

Her confirmation will make Judge Gleason the first female judge appointed to the Federal bench in Alaska history. That is truly momentous for our State and long overdue.

I know many Alaskans back home—and 4 hours earlier—are watching these floor proceedings today because of the significance of this appointment.

Sharon was appointed to the Anchorage Superior Court in 2001 by Gov. Tony Knowles, who was my boss when he served as mayor of Anchorage. On the Superior Court, Judge Gleason has presided over a large variety of cases, including complex civil litigation, divorce and custody proceedings, child-in-need-of-aid proceedings, and criminal cases.

Judge Gleason now serves as the presiding judge of the Third Judicial District in Alaska. That position is responsible for overseeing 70 percent of the caseload of the entire State trial courts and includes 40 judges and 20 magistrates.

Her record as a judge has been excellent. She is widely praised for her judicial temperament, her fairness on the bench, and especially her pioneering work on behalf of families and children. For that work, she was awarded the prestigious Light of Hope award in Alaska.

Sharon is an active member of her community, serving on numerous legal committees. She also is a heck of a clarinet player, and she has been playing in the Anchorage Symphony Orchestra for more than 25 years.

Judge Gleason received the unanimous bipartisan support of every member of the Senate Judiciary Committee. The American Bar Association has rated her "unanimously well qualified," their highest possible rating for a Federal judge.