do not know anyone who enjoys meeting with constituents more than Representative GIFFORDS. So she had several staff people there too. When the gunman came, he immediately headed for her. His intention was obviously to do her harm, but right after shooting Representative GIFFORDS, he began to shoot the people on her staff and the others waiting in line to talk to her.

This is where some of the goodness of the people comes out. I mean, I talked about the goodness of the people. Judge Roll did not have to say ''thank you'' to Representative GIFFORDS, but he went out of his way to try to do that. When Ron Barber, the head of Representative GIFFORDS' Tucson staff, was shot, Judge Roll, the cameras show, pushed him down under a table and put his body over Ron Barber's body and thus took the bullet that killed John Roll. Talk about the goodness of people.

At his funeral, everyone in Tucson and in Arizona who knew Judge Roll spoke not just of his abilities as a jurist and his public service but his goodness, his love for his wife Maureen, their three sons, their grandchildren. Incidentally, three of his grandchildren spoke. It was so moving when they talked about the love they had for their grandfather, who took a lot of time with each of them to teach them how to swim, to play basketball, and so on. The goodness of people.

Representative GIFFORDS' staff was there. They liked her and were very willing to be with her on a Saturday morning when they could have been doing something else with their families.

Gabe Zimmerman, just 30 years old, was one of those staff people, and he, too, lost his life. My staff in Tucson really enjoyed working with Gabe. Now, I am a Republican, they are Republicans, and Gabe is a Democrat working for a Democratic Representative. That did not matter to them. They really enjoyed working together for the same constituents. And I will tell you, my Tucson staff has taken his loss very hard.

There were others from his staff who were there, one of whom is an intern we are going to see this evening. He is going to be sitting in the President's box. His name is Daniel Hernandez. We saw him at the ceremony in Tucson at the University of Arizona on Wednesday after the shooting. He was one of the people who immediately went to Representative GIFFORDS' aid and continued to staunch her bleeding. The goodness of people—his unselfish act to help her.

Pam Simon was another one of her staffers who were shot. I had a chance to visit with Pam in the hospital and then after. There she is with wounds. A bullet went in and out of her arm and another in her leg. She could not wait to get back to work, and she has done so now.

The other people who were shot there—Christina Taylor Green was the 9-year-old. The things that were said about her remind me so much of my granddaughter, my youngest granddaughter. The hugest heart you can ever imagine, athletic and yet studious, interested in government—all the things you would want in a young woman. President Obama spoke eloquently about her in his remarks on that Wednesday. She was taken to the event with a friend who just wanted to expose her to Representative GIFFORDS and a little bit about our government.

Dorothy Morris. Now, I did not know Dorothy, but I knew her husband George. They had communicated with me, and I visited with George a couple of times after this event. He is a retired marine. I will tell you, he is having a hard time with this because he said that Dot, his wife, would follow him—in his words, ''She would follow me to hell.'' Well, she is obviously in a different place, and he is going to be as well. But the fact is, she did not particularly want to go that morning, but he is a Republican, he wanted to go talk to Representative GIFFORDS because he thought he could talk to her just in the way that we do about issues and have a good conversation with somebody he did not totally agree with.

Dorwan and Mavy Stoddard. Dorwan was killed. His whole recent life was devoted to service at his church. I visited with Mavy at her home. Her two daughters were there and a very good friend of ours, Ed Biggers, from Tucson, who also attends their church. The kindness of all of those people and the way they talked about the others involved, as well as, as you can see, the members of family and friends helping each other, was, as I said, an impression that will stick with me forever.

Phyllis Schneck, who everyone agreed was a wonderful grandmother, spent her winters in Tucson—she lived in New Jersey.

All of these folks were human beings with friends, with family, with futures, and to have all of them taken from us is a real tragedy.

What can we take from that? At this time, I think I have gone almost 10 minutes. Tomorrow, I will mention some of the other heroes. I will take a second with some of them, though.

Bill Badger, a retired Army colonel, did not want to talk about his heroism, but he helped to subdue the assailant.

Anna Ballis, who has two sons, both of whom are U.S. marines who have done repeated tours in Afghanistan and Iraq, was in the Safeway, came out, and immediately began administering to Ron Barber. I went to visit Ron in the hospital at the same time Anna had gotten there, a few minutes before, and Ron was holding her hand the entire time, saying: This is the lady who saved my life. Just a tremendous act of selfless courage on her part and showing again the wonderful humanity of all of the people there.

Steve Rayle, a doctor, a former emergency room doc, was there and helped to subdue the assailant and so on.

There are many others. We will talk about some of the others tomorrow when we express more formally our views on this resolution. I know all of our colleagues will want to join us in supporting this resolution to let the folks of Tucson know we appreciate what they have endured here, we appreciate the heroism. Our prayers are with the victims, and our hearts go out to all of those who were injured in some way or other.

From this, among the lessons we learned is that people have innate goodness. We all have a side of us that we wish we did not have sometimes too frequently expressed on the floor of this body. But maybe for a little while, we can acknowledge the fact that there is goodness in everyone, and I saw so much of that in all of these people drawn from all over the community, different walks of life, different political parties, different ages. Yet when they came together, what was most obvious? It was their sacrifice and their goodness. I think that is something that should be a lesson to all of us.

Tomorrow, I will speak more formally, as I said, about this resolution. But I am deeply grateful for the expressions of condolence and support all of my colleagues have presented to me and to Senator MCCAIN.

The ACTING PRESIDENT pro tempore. The Senator from Utah.

Mr. HATCH. Madam President, I certainly grieve and also appreciate all the remarks of the distinguished Senator from Arizona. What a tragedy. But there are heroes there as well. I thank the Senator for his comments.

DISTURBING FISCAL SITUATION

Mr. HATCH. Madam President, in recent months President Obama has frequently discussed our Nation's disturbing fiscal situation.

He is right to do so.

Our yearly deficits and accumulated debt hang over the futures of our children and grandchildren like a sword of Damocles.

Though he was late to the table on this issue, President Obama seems to have finally recognized the frustration and anger of the American people over our Federal fiscal policy.

Recognizing that you have a problem is an important first step, and I applaud the administration for speaking about our Nation's structural deficits.

But this is a critical issue, and any solution will require that those responsible give a full and fair accounting of the policies that led to this crisis.

Unfortunately, rather than own up to his administration's complicity in our fiscal imbalance, the President prefers to blame our current and future fiscal problems on the previous administration.

For this President, the buck always seems to stop over there.

This trope is getting old.

Well before citizens began organizing against this administration and its historic spending spree, the President and his Democratic allies in Congress were justifying their stimulus program by blaming the previous administration. Yet trying to pass off the consequences of the last 2 years on a long-retired President and a Congress that ended over 4 years ago is no longer plausible.

Try as they might, revisionist fiscal history will not absolve our friends on the other side for the fiscal decisions made on their watch.

I will explain that point separately, and in detail, in a few days.

It is well past time that this administration stop pointing fingers. The American people are demanding that their elected Representatives, in Congress and the White House, act like adults and fix this fiscal mess.

In a few weeks, President Obama will send Congress his third budget.

The fact that Treasury Secretary Geithner has already written us requesting legislation to raise the debt ceiling does not bode well for citizens seeking greater spending restraint from this administration. The people of Utah and of this Nation deserve a fair accounting of the spending decisions that have led to this request.

Let me be clear.

The President's desire for a larger level of public debt is a consequence of the fiscal policy choices that he and a Democratic Congress have made over the last 2 years.

Between 2007 and 2010, Democrats enjoyed unprecedented control over Federal policy. When the President was inaugurated 2 years ago, he set to work with historic majorities in both the House and Senate.

Never letting a crisis go to waste, he sought a fundamental restructuring of the American economy, one in which government would play a starring role.

Thanks to our Founders' design, the American people were able to go to the ballot box and give their opinion about these spending policies.

Unfortunately, the administration and its allies did not curb their spending in response to democratic uprisings.

The people spoke—first in Virginia and New Jersey, then in Massachusetts, and finally, last summer, nationwide.

But the Democrats, rather than adjust their policies accordingly, just kept on spending.

The tab for this binge is almost beyond description. In the 2 years that Democrats controlled Washington, our debt has risen by almost $3 trillion.

I have a chart documenting these staggering hikes in the debt limit.

During the short period of all-Democratic rule, the law was changed to raise the debt ceiling on three separate occasions.

On February 17, 2009, President Obama signed a debt limit increase bill of $789 billion, the cost of the stimulus bill at that time.

On December 28, 2009, President Obama signed a debt limit increase bill of $290 billion.

And on February 12, 2010, President Obama signed a third debt limit increase bill of $1.9 trillion.

These dollar figures, in terms of the percentage of the economy they represent, are breathtaking. I, like most other Members on both sides of the aisle, eagerly await the President's State of the Union Address. The President is a gifted speaker. And in his usual, eloquent manner, I am sure he will skillfully lay out his fiscal and economic policy goals.

As the incoming ranking Republican on the Finance Committee, let me be the first to say that Republicans are happy to hear the President contemplating serious deficit reduction proposals. We would be overjoyed if he actually took a stand for a meaningful attack on structural deficits and the debt.

But we will judge his proposals harshly if they provide mere window dressing, rather than bold efforts to address a spending trajectory that is approaching crisis status.

Willie Sutton, the infamous bank robber, was asked why he robbed banks.

By the way, here is a chart depicting a photo of Mr. Sutton from Life.com.

How would Willie respond?

He allegedly said he robbed banks because that is where the money is.

If President Obama wants to propose credible deficit reduction proposals, he needs to go where the deficit dollars are.

And what is the source of those deficits?

Taking Willie Sutton's answer to heart, where do we look for those deficits?

They are in the trillions of dollars in new spending that the American taxpayer has been burdened with by this administration.

Non-defense discretionary spending, by itself, has grown by 24 percent over the last couple of years.

And that 24 percent figure does not include the stimulus bill spending.

If stimulus spending is included, non-defense discretionary spending has grown by 84 percent.

That is right, Madam President, 84 percent.

How many typical taxpaying American families have grown their budgets by that much in the last couple of years?

Let's take a look at the Gallup weekly survey of daily consumer spending as a comparison. I have a chart which shows the trend line in daily consumer spending.

Over here, we can see from the chart consumer spending before the financial crisis of fall 2008 and the recession.

It is running near or above $100 per day.

Then what happens?

Americans cut back their extra spending.

It is right here on the rest of the chart.

Is it any wonder Americans are telling us to cut our spending?

They have cut spending. Why can't we in Washington do the same?

When the President laid out his last two budgets, the loudest bipartisan applause came when he stressed fiscal discipline.

That reaction should surprise no one. Though conservatives led the way, the American people understand that deficit reduction is not a partisan issue. If the promises of our Declaration of Independence and Constitution—promises of liberty and opportunity—are to mean anything for future generations, our country needs to take up deficit reduction now.

Republicans are going to insist on meaningful deficit reduction as a course correction to our currently unsustainable fiscal path. As our Nation comes out of this painful slow-growth period—hopefully sooner rather than later—we must focus on cutting the deficit and the debt.

As Republicans, we agree with the President on the priority of fiscal discipline.

But deeds mean more than words.

And twice, the President's budget, in spite of rhetorical nods to fiscal discipline, has gone in the direction of unpaid-for spending, new government programs and entitlements, and massive financial burdens on the next generation of American taxpayers.

The numbers don't lie.

The President and the Democratic leadership have dramatically expanded the deficit and piled onto the debt.

Two years ago, Republicans and Democrats dramatically disagreed on the stimulus bill. Out of all the Republicans in the House and Senate, only three supported the stimulus bill conference report.

Along with most of my Republican colleagues, I rejected this stimulus bill for several reasons.

First was the size and the form of the stimulus. Most on our side understood that $1 trillion in deficit spending was an unacceptable burden on the people who would ultimately foot the bill.

Second, we questioned the focus of the stimulus. We weren't keen on trying to grow the economy by priming the government pump. Spending $1 trillion of taxpayer money on the academic theory that you have to spend money to make money was a gamble the American taxpayer could not afford. And last year, while the administration and its allies were out promoting recovery summer, citizens in Utah and around the country had long before figured out that the administration's stimulus bet was a big loser.

Finally, what disturbed us most was the hidden fiscal burden built into the bill. Although sold as a $787 billion bill, the real cost of the stimulus was, in fact, much higher.

I am going to use a chart to show this hidden cost of the stimulus bill. This chart was produced last year but will be updated when we receive the Congressional Budget Office baseline.

According to the nonpartisan CBO, if popular new programs in the stimulus bill are made permanent, the cost will be $3.3 trillion.

To use Washington speak, the greatest threat of the new stimulus bill was that it raised the baseline.

This is a nifty trick if you can pull it off.

Its purpose is to open any future spending cuts, no matter how modest, to withering attack.

Here is how it works.

First, Democrats raise spending for some program—to borrow from George Costanza, we will call it The Human Fund.

After Democrats take control of Congress and the White House, spending for The Human Fund goes up by 25 percent, from $1,000,000 to $1,250,000.

Then, when the people reject this spending and send Republicans to roll it back, efforts to cut that spending by a meager 5 percent, from $1,250,000 to $1,187,500, leads all of the interest groups dependent on this federal money to scream that the sky is falling.

An attack on The Human Fund is an attack on all that is decent in this country!

Never mind that this program is still substantially better off than before the Democrats' massive increase in spending.

All that we will hear is that Republicans are ruthlessly seeking to cut 5 percent from this program's budget.

And so it goes.

Our deficit and debt continue to grow as irresponsible and unaffordable increases in spending are baked into our budgetary cake.

This strategy of raising the baseline is on full display in the stimulus bill and the threat that its programs—sold to the public as temporary—will become permanent.

This chart details CBO's analysis of the stimulus.

Let us move from left to right on the chart.

The first column is the basic cost of the bill. If the making work pay refundable tax credit is extended, there is $571 billion in future deficits.

It is in the second column.

If the new entitlement spending in the stimulus is made permanent, then the cost of the bill more than doubles.

It means almost $1 trillion in new hidden entitlement spending right here.

In the fourth column, we have the appropriations spending.

If those increases become permanent, then there is $276 billion in new nondefense discretionary appropriations in this bill.

Finally, we have the rent on all this borrowed money. That is the interest expense. CBO tells us that the interest cost alone on the overt new spending and the hidden new spending from the stimulus totals $744 billion.

Total it all up, and we get $3.3 trillion, not $787 billion.

The total cost of the stimulus is $3.3 trillion.

Our Nation can simply no longer afford this.

These are CBO figures. They are not from a conservative think tank.

There are a couple of simple ways for the stimulus bill supporters to correct this trajectory.

If they want to keep the long-term cost of the stimulus down, they could agree to make all of the stimulus provisions temporary.

Or they could agree to offset extensions of stimulus spending with other spending cuts.

But our friends on the other side have done just the opposite. They have insisted on extending the policy in the stimulus bill without offsets in other areas of spending.

You will recall then National Economic Council Director Larry Summers' three Ts tests for stimulus.

To be effective, the stimulus needed to be timely, targeted, and temporary.

It is failure on that third T, the temporary test, which has been very troubling. Two years into this failed economic experiment, and Democrats still refuse to agree that temporary stimulus proposals should remain temporary.

The path forward is not going to be easy.

While we do have a recent example of deficit reduction, it was not generated by this administration or its congressional allies. If you want to look at enacted legislation over the last decade, there is one significant spending reduction bill. It was the Deficit Reduction Act of 2005. It contained a modest amount of deficit reduction.

The deficit reduction attained was $35 billion. And how did we achieve those savings? That bill was accomplished through reconciliation. The other side opposed it in lock step.

In the end, only Republican votes carried that stand-alone deficit reduction measure.

Yet now American taxpayers are being asked to believe that Democrats have found religion on deficits and debt.

Our friends on the other side will, no doubt, say time out. We have produced a significant deficit reduction bill, they will say.

They will point to last year's ObamaCare legislation. They will argue that this bill, which creates massive new entitlements, somehow saves money. Our Democratic friends will even cite a CBO score showing $230 billion in deficit reduction from this bill.

This assertion does not pass the laugh test.

Anyone who looks beyond the basic score will see that ObamaCare is another huge deficit generator that will burden the American taxpayer for generations to come.

House Budget Committee Chairman PAUL RYAN released an analysis, derived from CBO data, that tells the full story of ObamaCare's deficit impact. Here is what Chairman RYAN said:

Claims of deficit reduction exclude the $115 billion needed to implement the law. The score double-counts $521 billion from Social Security payroll taxes, CLASS Act premiums, and Medicare cuts. It strips a costly doc-fix provision that was included in initial score. It measures 10 years of revenues to offset 6 years of new spending. There is no question that the creation of a new trillion-dollar, open-ended entitlement is a fiscal train wreck.

Add it all up and the fiscal reality is that ObamaCare busts the budget by $701 billion.

I ask unanimous consent that a copy of Chairman RYAN's analysis be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

FIVE BUDGET REASONS TO REPEAL THE DEMOCRATS' COSTLY NEW HEALTH CARE LAW

1. Take away smoke and mirrors and law adds over $700 billion to deficits: Democrats' score excludes the $115 billion needed to implement the law; double-counts $521 billion from Social Security payroll taxes, CLASS Act premiums, and Medicare cuts; and fails to account for the costly ''doc-fix'' provision that Democrats stripped out of the bill and passed separately.

2. Massive tax increase minus slightly less massive spending increase isn't ''fiscal responsibility'': According to CBO, the Democrats'' law will ''reduce deficits'' by increasing taxes by $770 billion, while ''only'' increasing net spending by $540 billion. That's not the kind of ''deficit reduction'' we're interested in. Furthermore, we believe spending will actually be much higher.

3. True cost 10-year cost of the law is closer to $2.6 trillion: The Democrats rigged their law to show 10 years of revenues offsetting only 6 years of new spending. A true 10-year score of the new spending in the law puts the cost closer to $2.6 trillion. Costs could run even higher if employers dump their employees onto government exchanges and Medicare ''savings'' fail to materialize.

4. This law bends the cost curve up, not down: Exploding health care costs are bankrupting families, companies, states, and the federal government. The Democrats' new health care law—with its maze of mandates, dictates, controls, tax hikes and subsidies—will drive costs up even faster.

CBO Director Doug Elmendorf says new law ''does not substantially diminish'' pressure of rising health care costs on the federal government.

Medicare/Medicaid Chief Actuary Richard Foster says that the law would result in ''higher health expenditures,'' straining budget to the breaking point.

5. Creation of a new open-ended entitlement isn't ''fiscal responsibility'': The reality is that we cannot pay for the health care entitlements we have, much less a new government takeover of health care that adds trillions of dollars to our existing liabilities, drives costs up even faster, and puts the federal government in charge of even more health care decision-making.

The only way to control costs when the government is in charge of the system is for bureaucrats to ration care.

The path to greater choice for patients and lower costs for all must begin with a full repeal of the Democrats' costly new health care law.

THE TRUE DEFICIT IMPACT OF THE DEMOCRATS' HEALTH CARE LAW

Bottom line: The Democrats' health care law is a budget-buster. Claims of deficit reduction exclude the $115 billion needed to implement the law. The score double-counts $521 billion from Social Security payroll taxes, CLASS Act premiums, and Medicare cuts. It strips a costly doc-fix provision that was included in initial score. It measures 10 years of revenues to offset 6 years of new spending. There is no question that the creation of a new trillion-dollar, open-ended entitlement is a fiscal train wreck.

Over $700 billion in red ink: To hide the true cost of their $2.6 trillion health-care overhaul, the Democrats loaded the overhaul with gimmicks and double-counting. Once these gimmicks are accounted for, the law would add over $700 billion in red ink over the next decade, as health-care costs send the debt spiraling out of control.

Discretionary Spending: The CBO score did not include the cost of setting up and administering the massive overhaul, including the cost of hiring new health-care bureaucrats to run the new spending programs, as well as thousands of IRS agents to enforce the new mandates.

Accounting for these discretionary appropriations would add $115 billion to the bill's 10-year cost, all but wiping out its alleged "savings."

Double-Counting: The new law double-counts an estimated $521 billion in alleged offsets:

Social Security will receive an additional $53 billion in higher payroll tax revenue as a result of the new law. Instead of setting aside this revenue for promised Social Security benefits, the law spends it on new subsidies.

The Democrats' bill created the CLASS program, a brand new long-term care entitlement. Over the first 10 years, program would take in $70 billion in premiums, but instead of setting money aside to pay for future benefits, the law spends the premiums on new subsidies. Senate Budget Chairman Kent Conrad called the CLASS Act: "A Ponzi scheme [that] Bernie Madoff would have been proud of."

Democrats claim they are extending solvency of Medicare by cutting $398 billion from the program, but they simultaneously claim that these savings will offset new subsidy programs. CBO has made clear these savings cannot be used twice.

The Doc Fix: The Democrats' bill originally included the "doc fix" that CBO estimated would add $208 billion to the bill's score. Democrats removed this provision to lower the bill's CBO score, but promised doctors that they would enact the fix later, and did in fact pass a short-term prevention of cuts to physician payments last year, adding to the deficit.

Add It Up: Take $115 billion in discretionary costs, plus $521 billion in double-counting, plus $208 billion for a long-term doc fix (minus the $143 billion of claimed savings)—and the law would add $701 billion to the deficit over the next 10 years.

The Democrats' brand new open-ended health care entitlement will—unless repealed—exacerbate the spiraling cost of health care, explode our deficit and debt, and forever alter the relationship between government and the American people.

Mr. HATCH. This double counting of the Medicare cuts is a dangerous accounting gambit. Former Senator Gregg and I warned the Medicare trustees about it in a letter last year. I ask unanimous consent that a copy of that letter be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

HATCH, GREGG URGE MEDICARE TRUSTEES TO PROVIDE "AN ACCURATE AND COMPLETE ASSESSMENT OF NEW HEALTH LAW'S IMPACT ON MEDICARE

WASHINGTON.—U.S. Senators Judd Gregg (R–New Hampshire), Ranking Member of the Senate Budget Committee, and Orrin Hatch (R–Utah), Ranking Member of the Senate Finance Health Subcommittee, today urged the Medicare Trustees to release supplemental information when they issue the 2010 Medicare Trustees report "so that the public can accurately assess the impact of the new health care law on the Medicare program."

"Our nation stands on the precipice of fiscal ruin. Based on past Trustees reports, we know Medicare is on the brink of collapse," said Senator Hatch. "It's in the best interest of our country and our nation's seniors for the Trustees to release a full and honest assessment of the fiscal impact of the health care law on the viability of the Medicare program. One of the most dishonest claims about this new law is its magical ability to use Medicare money not only for Medicare, but also for hundreds of billions in new entitlement spending. That's an outrageous accounting gimmick and everyone knows it."

"We need a full and accurate picture concerning Medicare's unfunded liabilities," said Senator Gregg. "For example, Medicare savings should not be used as a piggy bank to finance new entitlement spending. The Democrats are counting Medicare savings twice—once to partially offset the cost of a new health care entitlement and argue that bill does not increase the deficit, and then again to claim they have improved Medicare's solvency. This is an undeniable budget gimmick. As we continue to wrestle with the historic debt and deficits facing our nation, Congress should receive a projection of Medicare's condition based on the reality that these savings can only be used once, despite the wishful thinking of the majority."

In a letter to Treasury Secretary Tim Geithner, Labor Secretary Hilda Solis, Health and Human Services Secretary Kathleen Sebelius, and Social Security Commissioner Michael Astrue, who serve as the Medicare Trustees, the Senators wrote, "It is our sincere hope that the Trustees Report will give every American an accurate and complete assessment of the fiscal challenges facing the Medicare program and the federal government. Failure to do so would be a tremendous disservice to the American people and our nation."

Specifically, the Senators requested:

The Trustees produce a separate report, in conjunction with the Center for Medicare and Medicaid Services (CMS) Actuary, outlining Medicare's unfunded liabilities, taking into account the real cost of fixing the broken Medicare physician payment system. The Senators point out that the Trustees report is based on current law, and while Democrats ignored the physician payment issue during the health reform debate, the Trustees should consider the long-term cost of Congress continuing to delay these scheduled cuts in Medicare reimbursement.

The Trustees estimate the year when Medicare's Hospital Insurance Trust Fund will be exhausted, reflecting the fact that Medicare cuts and payroll tax increases in the new health law are used to finance new spending outside of Medicare and therefore cannot simultaneously be available to pay for more future spending out of the Medicare program.

The Medicare Trustees release an annual report on the solvency and health of the Medicare program, which is required by law to be submitted by April 1. The Trustees decided to delay the report this year because the two health care laws were enacted in late March.

Below and attached is the full letter that Senators Gregg and Hatch sent to the Medicare Trustees today:

Hon. TIMOTHY F. GEITHNER,
Secretary of the Treasury, Department of Treasury, Washington, DC.

Hon. HILDA L. SOLIS,
Secretary of Labor, Department of Labor, Washington, DC.

Hon. KATHLEEN SEBELIUS,
Secretary of Health and Human Services, Department of Health and Human Services, Washington, DC.

Hon. MICHAEL J. ASTRUE,
Commissioner of Social Security, Social Security Administration, Washington, DC.

DEAR HONORABLE TRUSTEES: As Congress and the American people await the release of the 2010 Annual Report of the Boards of Trustees of the Federal Hospital Insurance and Federal Supplementary Medical Insurance Trust Funds (the 2010 Medicare Trustees Report), we are writing to request supplementary information in an accompanying document so that the public can accurately assess the impact of the new health care law on the Medicare program.

The 2009 Medicare Trustees Report laid out a grim assessment of the financial status of the Medicare program. Fueled by an aging population and rising health care costs, Medicare expenditures, according to that report, would rise from 3.2 percent of Gross Domestic Product (GDP) in 2008 to 11.4 percent of GDP in 2083. The 2009 Trustees Report estimated that Medicare's unfunded liability is $38 trillion over the next 75 years and that its Hospital Insurance (HI) Trust Fund is expected to become insolvent in 2017.

For Congress to effectively address the critical challenge of Medicare solvency, it must have a complete and accurate assessment of the program's fiscal position. We would like to request that you provide to Congress, contemporaneous with the release of the 2010 Medicare Trustees Report, a report that addresses the two following issues.

In recent years, the Trustees have noted an important limitation regarding the report's projections for Medicare Part B expenditures from the Supplementary Medical Insurance (SMI) trust fund. While the Trustees' projections are based on the assumption that current law will continue unchanged, the law's scheduled reductions in Part B payments to physicians under the Sustainable Growth Rate (SGR) provisions have not occurred after 2002—the only time a decrease was allowed to take effect; since 2003 Congress has consistently enacted changes in law to defer the reductions. The 2009 Medicare Trustees Report warned that projections of Part B expenditures under current law (which assumes the deferred large reductions will eventually occur) thus are "likely understated and should be interpreted cautiously."

As a result of this divergence between the unrealistic projections and the level of payments to physicians that Congress actually enacts, the Centers for Medicare & Medicaid Services (CMS) Actuary started producing a supplement to the Trustees Report. The most recent supplemental memorandum, Projected Medicare Part B Expenditures under Two Illustrative Scenarios with Alternative Physician Payment Updates (May 12, 2009), contains estimates of a range of Medicare expenditures based on scenarios where Congress prevents the scheduled reductions in physician payments. Relying on the same two illustrative scenarios, an analysis (by former Public Trustee Thomas R. Saving) concluded that, over the next 75 years, Medicare's unfunded liability could be as much as $1.9 trillion more than the Trustees projected in the 2009 report.

We request that the CMS Actuary produce a report similar to the May 12, 2009 supplement, and that, related to the 2010 Medicare Trustees Report, the Trustees provide projections for Medicare's unfunded liability over a 75–year horizon under the two alternative scenarios for physician payments that will be included in the supplement produced by the CMS Actuary.

Our second request relates to an issue raised in the memorandum released by the CMS Actuary on April 22, 2010, titled Estimated Effects of the ''Patient Protection and Affordable Care Act,'' as Amended, on the Year of Exhaustion for the Part A Trust Fund, Part B Premiums, and Part A and Part B Coinsurance Amounts. That memo stated the following about the impact of health reform on the HI trust fund for Medicare Part A:

The combination of lower Part A costs and higher tax revenues results in a lower Federal deficit based on budget accounting rules. However, trust fund accounting considers the same lower expenditures and additional revenues as extending the exhaustion date of the HI trust fund. In practice, the improved HI financing cannot be simultaneously used to finance other Federal outlays (such as coverage expansions under the PPACA) and to extend the trust fund, despite the appearance of this result from the respective accounting conventions.

According to CMS, PPACA contained $575 billion in net Medicare savings, including $63 billion in Medicare payroll tax increases over fiscal years 2010–2019. However, as the Congressional Budget Office (CBO) previously indicated in a letter on December 23, 2009, these dollars cannot both offset new spending under PPACA and then also extend the life of Medicare's HI trust fund. CBO concluded:

The key point is that savings to the HI trust fund under PPACA would be received by the government only once, so they cannot be set aside to pay for future Medicare spending and, at the same time, pay for current spending on the other parts of the legislation or on other programs . . . To describe the full amount of HI trust fund savings as both improving the government's ability to pay future Medicare benefits and financing new spending outside of Medicare would essentially double-count a large share of those savings and thus overstate the improvement in the government's fiscal position.

We request that the Trustees provide a projection for the date of exhaustion for Medicare's HI trust fund assuming that all the estimated Medicare savings under PPACA are not set aside to pay future Medicare benefits but instead are used to finance new spending (outside of Medicare) in the new health care law.

We trust that you will provide a response to our request concurrent with the release of the 2010 Medicare Trustees Report. It is our sincere hope that the Trustees Report will give every American an accurate and complete assessment of the fiscal challenges facing the Medicare program and the federal government. Failure to do so would be a tremendous disservice to the American people and our nation.

Sincerely,

JUDD GREGG,
U.S. Senator.
ORRIN HATCH,
U.S. Senator.

Mr. HATCH. A clear pattern has emerged with respect to Democratic rhetoric on the budget. They speak loudly about deficit reduction, while continuing to write checks that this Nation cannot cash.

Consider the last debt limit increase bill, which included the much ballyhooed statutory pay-go scheme. My friends on the other side speak of it frequently.

But they have also been the most frequent violators of both the spirit and letter of statutory pay-go.

The Senate Republican Policy Committee analyzed all of the spending offsets and other budget restraints rejected since statutory pay-go was adopted.

I ask unanimous consent that a copy of this analysis be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD as follows:

DEFICITS PILED ON BY SENATE DEMOCRATS SINCE STATUTORY PAYGO*

Bill	Bill No.	Deficit impact, 2010–2020 ($ billions)	Floor action	Date	Link to CBO score
Temporary extender bill	H.R. 4691	10.3	Vote to kill Bunning bill w/offset	2–Mar	http://bit.ly/cJIN6B
			Vote to pass bill w/o offset		
Baucus Tax Extenders bill (v1.0)	H.R. 4213	98.6	Vote to keep emergency designation	3–Mar	http://bit.ly/ahe9Jl
Reid HIRE Act	H.R. 2847	**45.9	Vote waive PAYGO	17–Mar	http://bit.ly/b8NIgq
			Vote to pass bill w/o offset		
Temporary two-month extender bill	H.R. 4851	18.2	Vote to keep emergency designation	14–Apr	http://bit.ly/cgrGHT
2010 Emergency Supplemental	H.R. 4899	59.0	Vote to kill Coburn #1 w/offset	27–May	http://bit.ly/cOITUC
			Vote to kill Coburn #2 w/offset		
			Vote to pass bill w/o offset		
Dodd-Frank FinReg Reform Conf. Rpt	H.R. 4173	***	Vote to waive the Budget rules	15–July	http://bit.ly/9Owy05
Continuing Extension Act (tax extenders shell)	H.R. 4213	33.9	Vote to pass the bill w/o offsets	21–July	http://bit.ly/aVU7Ys
Education/FMAP (in FAA reauth. shell)	H.R. 1586	12.6	Vote to pass bill w/o offset	05–Aug	http://bit.ly/bo4391
Total		278.5			

Notes:

* Statutory PAYGO was included in H.J. Res 45 (P.L. 111–139), which passed February 12, 2010. For more detail about PAYGO and how it operates, refer to the CRS summary: http://bit.ly/aOgf9m.

** The CBO score of the HIRE Act shows it lowers the deficit by $1 billion and $657 million, but CBO does not score the $47 billion in authorized transfers from the Highway Trust Fund to the General Fund even though they will be borrowed. The scores above reflect the combined effects of the bill as scored by CBO with these authorized transfers. See this document from the Budget Committee for more background: http://budget.senate.gov/republican/pressarchive/2010-02-0BHwyExtPlan.pdf.

*** CBO estimates that the act would increase projected deficits by more than $5 billion in at least one of the four consecutive 10-year periods starting in 2021 (beyond the budget window).

Mr. HATCH. Total it up and you will find that the cost of Democrats end-running their own pay-go rule meant almost $280 billion in additional deficit spending.

I think this point needs to be very clear.

Senate Republican attempts to force our friends on the other side to abide by the letter or spirit of their own pay-go rule were rebuffed for almost all of last year. This was not some academic exercise. And now the American taxpayers are on the hook for roughly $280 billion, courtesy of Democrats purportedly committed to spending restraint.

Still, we are heartened that Democrats are at least claiming a commitment to deficit reduction.

Talking tough is a necessary—though not sufficient—step toward getting our fiscal house in order.

Similarly, it is a positive development that the President has endorsed passage of the U.S.-Korea Free Trade Agreement. Maybe the administration is waking up to the importance of our pending trade agreements for our exports and the workers who make them.

But the proof of his commitment to our exporters must go beyond the Korea FTA. We can no longer let our trade agreements with Panama and Colombia languish as we lose competitiveness and allow other countries to seize these markets for their workers.

Talking about trade does not produce jobs. We need the President to take action and submit these agreements to Congress. And we need that action now. The U.S. worker cannot afford to wait.

Passage of these trade agreements can boost our economy and our competitiveness without additional spending. They are important tools that we must put to work. If the President chooses this route, I believe he will find an important ally in Congress.

I look forward to President Obama's proposals for prioritizing deficit reduction. There is no issue more critical to this Nation's future.

And I expect we will hear quite a bit about it in the State of the Union Address.

The President can count on applause from our side of the aisle if he presses for reductions in out-of-control spending. But merely relabeling new spending as investments will not make our deficits go away, and it will do nothing to tackle our escalating debt.

The President must give serious attention to the legitimate arguments and concerns of conservative citizens if he wants to achieve anything more than a pleasant sounding rhetorical flourish.

President Obama did inherit a serious budget deficit. And our friends on the other side will, once again, applaud that line. They will cheer the assertion that they merely inherited deficits. They will spin the convenient tale that Republicans alone bequeathed the deficit to President Obama. But that is certainly not the case. And the record is clear. A Democratic Congress and a

Republican President created this deficit from bipartisan policies they jointly developed.

To those Democrats who claim Republicans have no right to discuss deficits, they need look no further than their own actions. Take a look at the fiscal effects of the stimulus bill they crafted 2 years ago. Take a comprehensive look at the real deficit impact of ObamaCare.

Take an honest look at the appropriations bills that piled on double-digit increases in spending.

American families don't have the luxury of 84 percent or 24 percent increases in their spending. They have made their priorities and restrained their spending.

If American families can prioritize, deleverage, and live within their means, I hope the President will push his allies in Washington to do the same.

All of us in Congress await the arrival of President Obama's third budget.

The American people are demanding that he make deficit reduction a priority. And they are asking Congress to approach this subject in an intellectually honest fashion.

We need to acknowledge that when it comes to the budget, the road to fiscal ruin has been paved with good intentions. In the name of fixing the economy, the Democrats' stimulus bill has imposed both short-term and long-term costs on American taxpayers, jeopardizing economic growth and, with it, liberty and opportunity. That damage has been expanded with un-offset extensions of what we were told were temporary provisions.

As we start writing a budget, let's do it with all the fiscal cards on the table. Let's remove the political blinders and deal with the fiscal facts. And that means being realistic about expiring tax relief, its merits, its economic growth effect, and its political popularity.

This is not a problem that we can tax our way out of. Getting our fiscal house in order is going to require hard decisions on spending. We need to put our shoulders to the wheel. We owe it to the people who sent us here.

There is an old saying that applies here. I am not the first person, nor will I be the last, to reference it in the context of our fiscal troubles. The saying is: When you find yourself in a hole, stop digging. We need to use our shovels to fill this fiscal hole, not dig it deeper.

I look forward to this debate on spending. It will not be an easy one. But the American people have demanded that Congress take up this cause, and I fully intend to.

Ultimately, I am confident that we will achieve meaningful deficit reduction. Yet I go into this debate with my eyes open.

President Reagan, in the foreign policy arena, reminded us to trust, but verify.

As we await the President's State of the Union speech, Republicans trust that Democrats will make a nod toward deficit reduction, but we need to verify whether they are serious about getting this problem under control.

Democrats do not have a great track record when it comes to cutting spending. But hope springs eternal.

Madam President, I suggest the absence of a quorum.

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

The assistant legislative clerk proceeded to call the roll.

Mr. CARDIN. 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.

HONORING DR. MARTIN LUTHER KING, JR.

Mr. CARDIN. Madam President, on Monday, January 17, our Nation once again celebrated the birthday of Dr. Martin Luther King, Jr., as a national holiday. Signed into law in 1983, the bill to make Dr. King's birthday a legal public holiday was the result of a 15-year legislative effort.

Although I was not a Member of the Congress at the time, I remember well the national debate and eventually the overwhelming support this legislation engendered. For the Senate pages on the floor today, for their entire lifetimes, Dr. King's birthday has been a Federal holiday. But they and all young Americans should know the passage of that law was not certain and not without controversy at the time.

I was the speaker of the Maryland house of delegates in the 1980s when the State of Maryland took up legislation to make Dr. King's birthday a State holiday, and we were one of several States that passed State laws to make Dr. King's birthday a holiday. As the federalism system works, as more States got engaged in this issue, the momentum at the national level became very apparent. And for the importance of this day and its message to Americans, the Congress finally enacted legislation in 1983.

This holiday, which has appropriately come to be known as a day of service, would not have happened without the leadership of former Senator Charles Mathias of Maryland. I am very proud of the work Senator Mathias did on this issue and so many issues that were important to the opportunities for all Americans. I also want to acknowledge the work of former Representative Katie Hall of Indiana. They were the authors of the 1983 legislation. This holiday also would not have happened without the work of Representatives JOHN LEWIS and JOHN CONYERS, who have dedicated their lives to social justice. Also, I might add, without the work of our former colleague, Senator Ted Kennedy, this bill would never have become law. I congratulate all of them for their work.

Serving in the Senate today are colleagues whom I would also like to thank for their efforts to enact this legislation, the 1983 King holiday bill. Six of the thirty-four sponsors are still in the Senate today, including Senator BAUCUS, Senator BINGAMAN, Senator INOUYE, Senator LAUTENBERG, Senator LEVIN, and Senator LUGAR, as well as the president of the Senate, Vice President JOE BIDEN. Moreover, five Senators who were Members of the House of Representatives at the time were original cosponsors of the companion bill, H.R. 3706, which became law. They are Majority Leader REID, Senators AKAKA, BOXER, MIKULSKI, and SCHUMER. I thank them all for their leadership and vision in the 1980s as to the importance of making this holiday a remembrance to Dr. Martin Luther King.

Twenty years before its enactment, in August of 1963 on the steps of the Lincoln Memorial, Dr. King delivered what is his most well-known speech, in which he called for racial equality and social justice for all Americans.

In honor of Dr. King's birthday, I ask unanimous consent that the text of that speech be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

"I HAVE A DREAM"

(By Dr. Martin Luther King, Jr.)

"I am happy to join with you today in what will go down in history as the greatest demonstration for freedom in the history of our nation.

"Five score years ago, a great American, in whose symbolic shadow we stand today, signed the Emancipation Proclamation. This momentous decree came as a great beacon light of hope to millions of Negro slaves who had been seared in the flames of withering injustice. It came as a joyous daybreak to end the long night of their captivity.

"But one hundred years later, the Negro still is not free. One hundred years later, the life of the Negro is still sadly crippled by the manacles of segregation and the chains of discrimination. One hundred years later, the Negro lives on a lonely island of poverty in the midst of a vast ocean of material prosperity. One hundred years later, the Negro is still languished in the corners of American society and finds himself an exile in his own land. And so we've come here today to dramatize a shameful condition.

"In a sense we've come to our nation's capital to cash a check. When the architects of our republic wrote the magnificent words of the Constitution and the Declaration of Independence, they were signing a promissory note to which every American was to fall heir. This note was a promise that all men, yes, black men as well as white men, would be guaranteed the 'unalienable Rights' of 'Life, Liberty and the pursuit of Happiness.' It is obvious today that America has defaulted on this promissory note, insofar as her citizens of color are concerned. Instead of honoring this sacred obligation, America has given the Negro people a bad check, a check which has come back marked 'insufficient funds.'

"But we refuse to believe that the bank of justice is bankrupt. We refuse to believe that there are insufficient funds in the great