

I am told, and said: We are going to get at least 60 votes.

Please, Mr. President.

Their extreme plan would, within 25 years, cut in half every Federal benefit on the books, including Social Security, Medicare, Medicaid, military pay, veterans' benefits, and much more. Meanwhile, it would erect constitutional protections for hundreds of billions of dollars in special interest tax breaks to oil companies, corporations that ship jobs overseas, and millionaires and billionaires who are able to buy those yachts and corporate jets for which they get tax benefits.

Republicans have demanded we pass this radical proposal before they will even consider cooperating with Democrats to avert a default crisis that would rock the global financial markets. They are, in effect, holding this Nation's economy hostage and demanding the death of Medicare and Social Security as its ransom. But we all know their failed prescription will fail in the U.S. Senate. They do not have the votes to pass a plan that would balance the budget on the backs of seniors and middle-class families while protecting unfair tax breaks for millionaires and billionaires.

So we must move on, Mr. President. And I want to be very, very clear: There is simply no more time to waste debating and voting on measures that have no hopes of becoming law. We have no more time to waste playing partisan games. As the saying goes, indecision becomes decision with time. Our time is running out before this gridlock—this refusal by the other side to move even an inch toward compromise—becomes a decision to default on our debt. The markets are already reacting to our inaction. Every responsible voice, including those of my Republican colleagues—many of them, at least—has warned that much worse is to come if we do not take action and take it soon. That is a risk we cannot afford to take.

So I ask my Republican colleagues again to join Democrats in seeking common ground. The American people have demanded it of us. Overwhelmingly, they have said a national default is a serious problem—and that is an understatement—and that both parties in Congress must meet in the middle.

We all know there are talks going on between President Obama and Speaker BOEHNER. I wish them well. We await their efforts. What I am told, there will be revenue measures in that. If that is the case, we know constitutionally the matter must start in the House of Representatives.

I say to both the President and to the Speaker here on the Senate floor, representing my Democrats—and I am confident many Republicans—be very careful. Show a lot of caution as this negotiation goes forward because any arrangement must be fair to all of America, not just the wealthy.

Would the Chair announce the proceedings for this morning.

RESERVATION OF LEADER TIME

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

CUT, CAP, AND BALANCE ACT OF 2011—MOTION TO PROCEED

The ACTING PRESIDENT pro tempore. Under the previous order, the Senate will resume consideration of the motion to proceed to H.R. 2560, which the clerk will report.

The assistant legislative clerk read as follows:

Motion to proceed to the bill (H.R. 2560) to cut, cap, and balance the Federal budget.

The ACTING PRESIDENT pro tempore. Under the previous order, the time until 10 a.m. shall be equally divided and controlled between the two leaders or their designees.

The Senator from North Dakota.

Mr. CONRAD. Mr. President, in about an hour, we are going to vote on a package that was sent to this body by the House of Representatives.

Let me first comment on the context within which we consider this legislation. I think it is very important to remind our colleagues and remind citizens across the country who are perhaps watching and listening that our country is borrowing more than 40 cents of every \$1 we spend. That is unsustainable. It cannot be continued for long.

I think all of us know that the circumstance we are in is extraordinarily serious. Here is what the Chairman of the Joint Chiefs of Staff told us just a year ago:

Our national debt is our biggest national security threat.

I believe that is the case. Our gross debt now is approaching 100 percent of the gross domestic product of the United States. We have not seen a debt that high since after World War II. It is extraordinarily important that we take on this debt threat. It is extraordinarily important for our country's future economic well-being that we change course.

The legislation that has been sent to us by the House is one of the most ill-considered, ill-conceived, internally inconsistent pieces of legislation I have seen in my 25 years in the U.S. Senate. It has all the earmarks of something that was hastily thrown together, really pasted together.

This legislation includes an amendment to the Constitution of the United States. We are better than this. The Congress is better than this. Certainly, the country is better than this. Let me just be brief.

The fundamental problems with this balanced budget amendment are as follows: One, it restricts the ability to respond to economic downturns, having all the potential to make an economic downturn even more serious. It uses Social Security funds to calculate balance and subjects that important program to the same cuts as other Federal

spending, even though it is funded separately. It shifts the ultimate decisions on budgeting in this country to unelected and unaccountable judges. Finally, it requires a State ratification process that could take years to complete. We need a long-term debt resolution now, not in the sweet by-and-by.

The proposal before us has all of the potential to turn a recession into a depression. Why do I say that? Because it would prevent Congress from taking urgent action to provide lift to the economy in the midst of a severe economic downturn.

Here is what Norman Ornstein, a distinguished scholar at the American Enterprise Institute, said about this:

Few ideas are more seductive on the surface and more destructive in reality than a balanced budget amendment [to the constitution]. Here is why: Nearly all our states have balanced budget requirements. That means when the economy slows, states are forced to raise taxes or slash spending at just the wrong time, providing a fiscal drag when what is needed is countercyclical policy to stimulate the economy. In fact, the fiscal drag from the states in 2009-2010 was barely countered by the federal stimulus plan. That meant the federal stimulus provided was nowhere near what was needed but far better than doing nothing. Now imagine that scenario with a federal drag instead.

The Washington Post editorialized:

Worse yet, the latest version [of the balanced budget amendment] would impose an absolute cap on spending as a share of the economy. It would prevent federal expenditures from exceeding 18 percent of the gross domestic product in any year. Most unfortunately, the amendment lacks a clause letting the government exceed that limit to strengthen a struggling economy.

That has all of the potential to turn a recession into a depression.

Two of this country's most distinguished economists, Alan Blinder, former Vice Chairman of the Federal Reserve, and Mark Zandi, former consultant, adviser to Senator MCCAIN in his Presidential campaign, evaluated the government response to the last downturn. Their conclusion: Absent that Federal response, we would have had "Great Depression 2.0." The legislation before us would have prevented that Federal response.

They call this legislation cut, cap, and balance. They misnamed it. They should have called it "cut, cap, and kill Medicare" because that is precisely what it would do. Why do I say that? Because when I referred earlier to the inconsistency of this legislation, this is what I was referring to. They have two different spending caps in the legislation before us. In one part of the legislation, they say the spending cap would take spending from 24.1 percent of GDP to 19.9 percent. That is in one part of the bill before us. In another part of the bill—the constitutional amendment—they say the spending cap would be 18 percent of GDP. So I do not know who cooked this up, but you would think they would have at least gotten on the same page as to what is the limitation on spending.

What does it mean if you have a balanced budget amendment with a cap of

18 percent of GDP? Here is what it means—by the way, the constitutional provision would certainly trump the conflicting provision that is in this legislation. So the cap would not be 19 percent of GDP, the cap would not be 19.9, it would be 18 percent of GDP. What would that mean? Well, this dotted black line is 18 percent of GDP. If you fund just Social Security, defense and other nonhealth spending, and interest on the debt, you are at 18 percent of GDP. There is not a dime left for Medicare. There is not a dime left for Medicaid. Is that really what they intend? It must be because that is what it says. So Medicare is finished. Medicaid is finished. Anybody who votes for this ought to understand what they are voting to do.

Here is a former top economic adviser to President Reagan. Here is what he said about the amendment that is before us:

In short, this is quite possibly the stupidest constitutional amendment I think I have ever seen. It looks like it was drafted by a couple of interns on the back of a napkin. Every Senator cosponsoring this legislation should be ashamed of themselves.

That is a former top economic adviser to Ronald Reagan.

I have been here 25 years. I don't think I have ever seen a piece of legislation more unprofessionally constructed than the legislation before us.

But those are not the only problems. When they titled this "cut, cap, and balance," they could have also called it "preserve, protect, and defend tax havens and tax shelters" because that is the other consequence of this legislation. Why do I say that? Because it would take a two-thirds vote to increase revenue—a two-thirds vote. That means attempts to shut down these offshore tax havens, these abusive tax shelters—because they would raise revenue—would take a two-thirds vote.

What does that mean? Well, here is a little building down in the Cayman Islands. I have talked about this many times. It is a little 5-story building that claims to be home to 18,857 companies. They claim they are doing business out of this little building. I have said this is the most efficient building in the world. Quite remarkable that 18,857 companies are doing business out of this little 5-story building. I am told there are not many people coming and going from this building during the day.

Are 18 companies really doing their business—they call this "headquarters." Is that really their headquarters? We all know that is not their headquarters. We all know what is going on. It is not business; it is monkey business. What they are doing down there is avoiding the taxes all the rest of us pay.

This amendment would protect this scheme. You want to protect this scheme, vote for this amendment. How big is this scheme? Well, here is what our own Permanent Subcommittee on Investigations has told us:

Experts have estimated that the total loss to the Treasury from offshore tax evasion alone approaches \$100 billion a year, including \$40 billion to \$70 billion from individuals and another \$30 billion from corporations engaging in offshore tax evasion. Abusive tax shelters add tens of billions of dollars more.

You want to lock in these abuses? You prefer to pay more in taxes yourself so that people can engage in these scams? Vote for this amendment. Vote for the legislation that is before us. Vote for what is on the floor because you will protect them forever more.

I end as I began. This is perhaps the most ill-conceived, ill-considered, internally inconsistent legislation I have ever seen in my 25 years in the Senate. I hope my colleagues have the wisdom to vote no.

I yield the floor.

The ACTING PRESIDENT pro tempore. The Senator from Indiana.

HONORING THE 88TH BIRTHDAY OF ROBERT DOLE

Mr. COATS. Mr. President, I would like this Chamber to know that today marks the 88th birthday of one of the great Members of this Senate body, a true American hero, former majority leader Bob Dole.

As I reflected on the extraordinary life he has led—I had the privilege of serving under him as a Senator and working with him in the private sector, getting to know him and his wife—I could not help but note that the leadership he provided in comparison to the lack of leadership that is being provided in this body now stands in great contrast. There is an absence of leadership and seriousness of purpose that Bob Dole would never have allowed had he been majority leader.

I say that because I come to the floor today greatly troubled by the remarks that were made here in this Senate yesterday and again this morning by the majority leader regarding the bill that is before us.

The issue here takes two tracks, one of which is the content of the amendment and the bill that is before us that was voted on by the House of Representatives, passed by the House of Representatives, and sent over for us to debate and pass. We can disagree—and I think there has been some misrepresentation of what this bill actually does—we can disagree about the contents of it, but we have an obligation and a responsibility to debate those contents and to put every Member of this body in a position of saying "yea" or "nay" on amendments that might be offered to improve it or to change it or to modify it and, finally, whether to support it or not support it. The vote here this morning denies us that opportunity. This is a vote on a motion to table.

You know, there are a couple of definitions of "table"—more than a couple. One of those is getting to the table to negotiate something, just as the NFL players and owners are doing and, much more seriously and with many more consequences to the future of this country, what we ought to be doing—

putting it on the table, debating it, addressing it, expressing your support or nonsupport, defending it, characterizing, mischaracterizing. That is what this body is about. It is the world's greatest deliberative body, and we are deciding not to deliberate this bill at all.

The second definition of "table" is taking it off the table. So the majority leader has said: I am not going to allow you to debate it. I am not going to allow amendments. I am not going to allow up-or-down votes so the American people know where we are.

This is a motion to table, so we don't even have the opportunity to debate it.

It was the majority leader himself who said: We are going to be in session every day until we get this settled. Now he comes down here and says: I am not going to waste 1 more day on this. Yet there is nothing on the agenda. Senators who were told to be here every day, that there will be a vote on Saturday, are now told: We are having a vote this morning—on Friday at 10 o'clock—and then you can go home for the weekend. He hasn't even told us when we need to come back. What kind of a contradiction is that? What kind of leadership is that? We don't know whether we are supposed to be here or are not supposed to be here. Are we supposed to be debating what is happening with one of the most serious crisis we are facing, that the country has ever seen? Particularly in the financial area, it is the most serious, perhaps except for the Great Depression. And we are told we do not even have time to debate this, that this is a waste of time.

I quote the unbelievable statement that has been made by the majority leader:

This piece of legislation is about as weak and senseless as anything that has ever come on this Senate floor.

Really? I can spend half an hour talking about senseless legislation, egregious legislation, discriminatory legislation that has come to this floor and been debated and not just tabled. To characterize the serious efforts of the Members of the House of Representatives and the Members of the Senate, including some Democratic Members, to try to fix this problem—to characterize that as "senseless and wasteful"—"I am not going to spend one more day of time," he said, "on this senseless legislation."

I thought on reflection the majority leader would come here this morning and say: Perhaps I overstated the problem. Let me better explain where I think we are, where we need to go.

But, no, he comes down and he doubles down this morning—doubles down—and says: "It is a very, very bad piece of legislation." "Without merit." "It gets in the way." It gets in the way? We are talking about dealing with cutting spending that we know we cannot afford. We talk about putting some caps on it so we don't keep doing this in the future, so we have a path to

fiscal responsibility. We are talking about a balanced budget so we live within our means. That is getting in the way?

This body has failed its responsibility to be faithful to the Constitution and faithful to the people of America. As a consequence of that, we are sitting here saying we are not even going to debate something that was brought forward with hundreds, if not thousands of hours of effort. Maybe you don't like it, and maybe you don't agree with it. Well, stand up and say so and tell us what you want to do about it.

The majority leader and his party have not brought one piece of legislation to this floor. The President of the United States has not offered one proposal in writing that we can work with. We have not had the opportunity to debate for 1 minute anything the other side has offered. So we bring something forward, and it is called a "worthless piece of junk." Is that what the American people sent us here to do?

I came here to find a result to the dire fiscal situation our people are in, and the majority leader comes down here and says we are not responding to the will of the people. Where has he been? What planet is he on? Responding to the will of the people? They are sick and tired of government spending more than it has. They are sick and tired of being told they are handing over debts to their children that are never going to be repaid. And we are told that we want to take this off the table so we can't even debate it.

I woke up in the middle of the night so frustrated and so angry after spending last evening saying I am hopeful that we can come together and work something out, and the well gets poisoned last evening by the majority leader and gets poisoned again this morning. Those of us who have worked our tails off to try to get something done are told this is a piece of junk. That is not what I came here to do. That is not what we came here to do.

I didn't come here to get mad this morning. But I am just tired of this stuff that goes on around here. When Democrats and Republicans—and the majority leader knows it—are meeting in back rooms together, signing letters together to the President to ask him to step up—32 Democrats and 32 Republicans—the President ignores that and does nothing until the very end, and he comes here and says: Look at me. I took care of everything.

America is worried to death about the future. To say we haven't done anything except put forward a worthless piece of legislation—it is so worthless we are not even going to allow you to talk about it or debate it, we are not allowing amendments to take place, we are not going to give it the respect it is due. So if you do not like it, come down here and tell us you do not like it, and let's have a vote on why you do not like it instead of just simply saying: Take it off the table.

I guess we are all getting frustrated. There is a 100-and-some degree heat

index outside. I can understand people getting worked up about all of this sort of thing. But the future of America is at stake. This majority leader is not allowing us to deal with it.

I yield the floor.

The ACTING PRESIDENT pro tempore. The Senator from Nebraska.

Mr. JOHANNIS. Mr. President, I stand here today as a cosponsor of the cut, cap, and balance legislation and as a supporter of that legislation. Here is the insanity that has gripped not only this body but all of Washington. We are literally in here where we will have the third year in a row of deficits over \$1 trillion.

In fact, current projections are that this annual deficit will set a record—a very dubious record, I might add—of \$1.6 trillion-plus. We were promised 3 years ago if this enormous, gargantuan effort to force more spending into the economy with the stimulus plan were passed, that trillion-dollar effort would put this country on a path to recovery. It has done nothing except raise our debt and pass the problem on to our children and grandchildren.

After weeks and months of work on an idea to rein in the spending and to come to grips with where we are in this country, we are literally at a point where, within minutes, we will vote on a motion to table that effort. We will be right back to where we are today. We will be right back to a situation where we will face trillion-dollar deficits. We will be right back to a situation where every economist in the world is telling the United States of America—the largest economy—that its spending is not sustainable. We will be right back to rating agencies looking at our government debt and saying: You have not come up with a plan to rein this in, so you are being targeted to be downgraded.

What we are really right back to is this: We have a government that is too big. We have too many promises that have been made, where no one had any idea how they would be paid for. By the end of the year, we will have a deficit of \$15 trillion, which is significantly understated. In 4 more years, we will have a debt of \$20 trillion, which will still be significantly understated. Somehow there are Members of this body who are arguing that this is a better way—to table cut, cap, and balance so we can return to where we are today.

Is it any wonder that those of us who are concerned about this and concerned about the future of our children and grandchildren are coming to the floor and saying: Wait a minute. This is destroying our Nation.

Mr. President, I have risen today, as I have many times over the last days, to say: Support this effort. Support cut, cap, and balance. I am pleased to be a cosponsor of this very important legislation which has the potential to change the direction of what we are doing. I am going to be one of the people who support this legislation.

With that, I yield the floor.

The ACTING PRESIDENT pro tempore. The Senator from South Dakota is recognized.

Mr. THUNE. Mr. President, I echo the comments of my colleagues from Nebraska and Indiana who have expressed their support for the cut, cap, and balance approach to dealing with our debt crisis. It had 234 votes in the House, and it is the only plan out there.

As my colleague from Indiana said, the Democratic leadership in the Senate has yet to produce a plan that will meaningfully deal with the greatest crisis our country has faced in my service in the Congress; that is, this massive, out-of-control debt the Senator from Nebraska pointed out which could lead to much higher interest rates along the lines of what we are seeing in some of the European countries, which would absolutely crush this economy.

If we are serious about growing the economy and creating jobs, we have to get Federal spending under control. We need a smaller Federal economy and a larger private economy. What has been happening since this President took office is that we continue to grow government. We have added 35 percent to the debt. Spending has increased by 24 percent—non-national security discretionary spending—at a time when inflation was 2 percent. Federal spending has been growing at 10 times the rate of inflation. The number of people receiving food stamps has gone up by 40 percent. The unemployment rate is up by 18 percent, and 2.1 million more people are unemployed today than when this President took office.

The policies of this administration are not working when it comes to getting people back to work and getting spending and debt under control.

I was listening to my colleague from North Dakota with great interest when he was here earlier denouncing the whole idea of a balanced budget amendment—like it was coming from some foreign planet. He talked about how ill-conceived and ill-considered and stupid this approach is—cut, cap, and balance.

Well, my observation about that is, the failure of the Democrats to produce a budget in over 800 days is exhibit No. 1 for why we need a balanced budget amendment. We ought to be embarrassed in Washington, DC; we are not doing the people's work; we have not passed a budget in over 800 days. Yet the other side comes down here and denounces the idea of a balanced budget amendment, which all 49 States have some form of, that requires them to balance their budgets every single year.

My colleague from North Dakota knows that. His State has it and my State of South Dakota has it. It is a very straightforward concept that the people of this country clearly understand.

Now, he takes issue with the way this particular balanced budget amendment is written. Fine. Come up with your

own proposal. But don't suggest that having a constitutional amendment that requires this place to do something that it hasn't been doing for the last 25 or 30 years is literally a bad idea. What we have today is dysfunctional. It is broken. It doesn't work for the American people. It is an embarrassment. That is why we need to put something on the books that will impose a discipline on this Congress to get spending and debt back under control and help us do something about the runaway debt that is putting a crushing burden on future generations of Americans.

If you don't like this balanced budget amendment and think the cut, cap, and balance proposal is not prescriptive about this particular balanced budget amendment that many of us are cosponsors of, then come up with another one. But let's put something in place that enshrines a responsibility and obligation and a requirement for us to live within our means every single year.

We cannot continue to spend money we don't have. We have demonstrated year after year around here that we continue to add more and more and more to this debt. Under the President's budget proposal, that debt would have doubled in the next decade. That is why I think when his budget proposal was put on the floor of the Senate it got zero votes. Not a single Democrat or Republican voted in favor of what this President put forward in his budget submission earlier this year.

Since that time there has been an absolute lack of leadership out of the White House. The President has been completely missing in action. The Democratic leadership has put forward no plan of their own. We have in front of us something that achieved majority support in the House a few nights ago when 234 Members of the House voted for this proposal. It is a serious, meaningful effort to cut spending now, cap it in future years, and put in place a balanced budget amendment which is long overdue and, frankly, if it had passed 15 years ago in the Senate, we would not be in the position we are today. It failed by a single vote—one vote—in the Senate in 1997.

I cannot help but think how much better off we would be today in terms of the spending situation had we gotten the necessary two-thirds vote in 1997. But it is never too late to do the right thing. We have an opportunity to do that today.

To hear our colleagues on the other side get up and belittle the effort that has been made by a lot of people who are trying to do something about a problem that will wreck this country if we don't fix it is not befitting of this institution.

This is going to be a tabling motion instead of a debate on cut, cap, and balance because my colleagues have decided this isn't worthy of consideration on the floor of the Senate. I think it is a terrible reflection on this institution,

when something is brought forward in good faith—a serious, meaningful effort to address spending and debt and to put this country back on a sustainable fiscal course—and we are not even going to debate it. We are going to have a tabling motion in a few minutes.

I hope my colleagues will defeat that motion and allow us to continue to debate this proposal and get an up-or-down vote on what will meaningfully address the problems this country faces.

The ACTING PRESIDENT pro tempore. The Senator from Vermont.

Mr. LEAHY. Mr. President, unlike any Republican in the House or the Senate, I have voted for a balanced budget. We balanced the budget under President Clinton. Not only balanced the budget, started paying down the national debt. He was able to leave hundreds of billions of dollars in surplus to his successor, who determined with Republican votes to go to war in Iraq and pay for the war with a tax cut. That is why we had to borrow the money from China and Saudi Arabia. Not a single Republican voted for a real balanced budget when they had a chance to. In fact, it passed the Senate only because Vice President Gore came and broke the tie.

I was proud to have voted for that balanced budget. Not a gimmick, but a real balanced budget. We had to actually make tough choices. We did it. We balanced it. We had a surplus.

When we talk about amending our Nation's fundamental charter, the Constitution of the United States, it is not something Congress and the American people should feel forced to do in the face of a financial crisis. I take seriously my senatorial oath to support and defend the Constitution.

I know there are a lot of pressure groups demanding that elected representatives sign pledges about what they will and will not do. The pledge I follow, which is the one I was honored to make again at the beginning of this Congress, is to uphold the Constitution. That is what I intend to do as I represent the people of Vermont.

The House-passed bill, H.R. 2560, which the Senate is now considering, claims to impose a balanced budget on future Congresses, but it doesn't even contain the proposed constitutional amendment that supporters are seeking to adopt. Nor did the bill pass with two-thirds of the Republican-controlled House voting in favor.

That threshold is what is required for us to pass a constitutional amendment. The House vote was more than 50 votes short of that necessary number.

The process by which this bill has been brought to the floor of the Senate is an affront to the Constitution that we are sworn to protect and defend. Instead, the House still denies authority needed to meet the Nation's obligations until Congress passes a type of constitutional amendment that will actually make it more difficult for us to reduce our national debt. That kind of

constitutional blackmail has no place in our democracy, no place in our laws.

I wonder whether anyone who respects the Constitution can support such an approach. Here is the convoluted language the House bill includes about an amendment to our Constitution:

H.J. Res. 1 in the form reported on June 23, 2011, S.J. Res. 10 in the form introduced on March 31, 2011, or H.J. Res. 56 in the form introduced on April 7, 2011, a balanced budget amendment to the Constitution, or a similar amendment if it requires that total outlays not exceed total receipts, that contains a spending limitation as a percentage of GDP, and requires that tax increases be approved by a two-thirds vote in both Houses of Congress.

The Founders didn't include a constitutional requirement for a balanced budget or a prohibition against incurring debt in our Constitution. They knew full well that would have been foolish, dangerous, and self-defeating for the Nation they were seeking to establish.

I respect the wisdom of the Founders and will uphold the Constitution, which has served this Nation so well for the last 223 years. Let's not be so vain as to think we know better than the Founders what the Constitution should prescribe.

I reject the notion that for political reasons we need to rush consideration of an ill-conceived and evolving proposal for a constitutional amendment. I will stand with the Founders. I will defend their work and our Constitution, and I will oppose the proposed series of constitutional amendments, which, incidentally, haven't even had a hearing.

Have we forgotten how the Revolutionary War was financed? Have we forgotten how the national government took on the debt of the states after the Revolutionary War? Have we forgotten that in 1792, just four years after the ratification of the Constitution, the budget deficit was 38 percent of revenues? Have we forgotten how President Jefferson financed the Louisiana Purchase expanding the country westward? Do we not remember what happened during the Civil War, how we emerged from the Great Depression, and won World War II? Do we not even recall that during the administration of the last Democratic President, we had balanced the budget after defeating a proposed constitutional amendment and were reducing the deficit with billions of surpluses?

Amendments to the Constitution of the United States are permanent. They are not bills or resolutions that can be abandoned or fixed. They are not just a bumper sticker or a sound bite. Each word matters to hundreds of millions of Americans and future generations.

I have never seen—and I have been here 37 years—the solemn duty of protecting the Constitution treated in such a cavalier manner. I wish those who so often say they revere the Constitution would show it the respect it deserves rather than treating it like a blog entry.

We have already seen scores of proposed constitutional amendments on budgetary matters. None has been adopted and for good reason. The Senate amendment referenced in the House bill is one of approximately 60 proposed so far this Congress. It remains a moving target, not a finished product worthy of consideration as an addition to our fundamental charter. The House bill itself proposed three different constitutional amendments and a catchall to include some proposal not yet introduced. Last night some members claimed that this catchall somehow allows flexibility. If we are going to limit the authority on the debt ceiling by requiring a constitutional amendment, there should not be ambiguity in what the amendment would actually do to hardworking Americans. This shows the lack of seriousness with which Republicans have approached this entire matter.

These partisan constitutional amendment proposals are inconsistent with the views of our Founding Fathers. George Washington did not want our Constitution to constrain the national government from being able to respond to events as warranted. He led this Nation into being and knew that financial constraints had no place in the Constitution. The Constitution expressly provides for the power "to borrow money on the credit of the United States" and for Congress "to lay and collect taxes" and duties and "to pay the debts and provide for the general welfare of the United States." That is what Congress has been required to do since the outset and that is our responsibility today. We should be acting without further delay to preserve the credit of the United States and to provide for our people.

The proposed amendments are also inconsistent with the views of Alexander Hamilton, a key author of the Federalist Papers and the creator of the American financial system that allowed us to become the greatest economic engine in the history of the world. The United States was born in debt, of course, and debt has been needed to fund some of America's greatest chapters. Hamilton even termed national debt at times "a national blessing." The Constitution allows for the Federal Government to borrow money at certain times, for wars, infrastructure building, and economic bad times. That fiscal policy can help drive development and unite the Nation. It should not be turned into a divisive wedge against the least powerful among us.

I am concerned this is another example of how some in recent years have sought to impose their view by unilateral objection to compromise with minority obstruction. That has, at times, seemed to be the rule in the last few years. Some have tried to undermine the legitimacy of President Obama. Filibusters and requirements for supermajorities have become routine. They have stymied congressional action on behalf of the American people.

This year should be a cautionary tale that convinces all Americans that the risks of default and ideological impasses to them, to interest rates, to financial markets, and to our household budgets are too great. We need only recall the game of chicken some played with the government shutdown earlier this year. The threat to push the United States into default on its obligations for the first time in our history is wrong. It is made possible by rules that empower a partisan minority.

I cannot help but think if we don't take the steps we should, we will see our interest rates go up. We will spend hundreds of billions of dollars in extra interest to China, which they can spend on infrastructure, medical research and education, but we won't have it here in the United States. That is what the other side seems to want.

We saw this before, in 1996, when a Government shutdown and a debt limit crisis went on for months as part of a partisan "train wreck" intended to extort President Clinton. It is happening, again, this year as some seek to gain political advantage over President Obama. The creditworthiness of the United States is too important to be sacrificed for partisan political advantage but that is what is being threatened. Indeed, this House-passed bill, with its proposed constitutional amendments, makes that more likely, not less.

Charles Fried, President Reagan's Solicitor General, said a few years ago that supermajority requirements "are against the spirit and genius of our Constitution, which is a charter for democracy; that is, for majority rule." He was right then, when the Senate rejected an earlier constitutional amendment on budgetary matters, and that truth remains the same today.

We have seen the danger that irresponsible brinksmanship promotes. We should guard against building into the Constitution a supermajority requirement for fiscal policy. That invites political blackmail and gridlock. We have seen enough of that already.

I suggest that Congress should not subject our ability to govern to any greater hurdles that would empower the tyranny of the minority on economic policy. Instead of hamstringing Congress with more supermajority requirements, we should be looking for ways to increase our ability to take necessary action to deal with a fast changing and increasingly interdependent global economy.

The source of our budgetary problems does not lie with the Constitution. The Constitution remains sound. What is lacking is the political judgment and the courage to do what is right.

Having again sought to use the debt ceiling to create a political crisis, congressional Republicans refuse to enact a program of shared sacrifice to put us on a better financial path. In fact, Senate Republicans filibustered the debate of a resolution calling for such a plan.

It is telling that the Republican posture is now to require the Constitution to be amended.

The last time we balanced the budget, not a single Republican voted for that balanced budget, and yet it created enormous surpluses. These proposed constitutional amendments will not cut a single dime of debt from the Federal budget. Rather than deal with our problems, some want to require that we deface the Constitution with a measure that will, by its own terms, not be effective for 5 years, if it were to be adopted by two-thirds of both Houses of Congress and then ratified by three-fourths of the States. Put another way, that is at least three election cycles from now. They get their bumper stickers today, but kick the can down the road for three election cycles.

Economists have noted that all of the last five Democratic Presidents have reduced public debt as a share of GDP. The last four Republican Presidents did the opposite with the country's indebtedness increasing during their administrations. During President Reagan and Bush's administrations the Federal debt more than tripled. During the Clinton administration, budgets were balanced and we were paying down the debt from the budget surplus being generated. Then, during the administration of George W. Bush the debt nearly doubled again to more than \$10 trillion dollars.

We should not amend our Nation's fundamental charter of liberty to include arbitrary and inflexible requirements in order to look tough on spending, but without regard to the consequences.

A respected Republican Senator from Oregon, Mark Hatfield, had it right 15 years ago when he said that a "balanced budget comes only through leadership and compromise."

In 1992, the Senate and House took the hard votes to enact a budgetary plan that led us to a balanced budget and budget surpluses during President Clinton's time in office. Not a single congressional Republican supported the plan. They favored talking about constitutional amendments then, as well. The balance we achieved was later squandered by the next President, as his policies also wreaked havoc with the financial sector and threatened the entire economy. The near meltdown of the financial markets during the last year of the Bush administration and the resulting recession threatened to drive our economy and that of the world into depression just 3 years ago. President Obama and the Congress responded to pull it back from the brink.

In a recent editorial, USA Today put it this way:

[A] funny thing happened after that amendment failed in 1997. Thanks to prior deficit-reduction deals and a strong economy, the federal government ran a surplus in 1998 and for the next three years. Then an economic downturn, huge tax cuts, two unfunded wars and unfunded expansion of Medicare plunged the budget back into the red, where it has been ever since.

The moral is, Congress doesn't need a constitutional amendment to balance the budget. It just needs the will to do it and the willingness to compromise over how. But rather than make the tough decisions about spending cuts and revenue increases, it's always easier to vote for a balanced budget amendment.

I will ask that copies of this and other editorials and opinion pieces from leading newspapers be printed in the *RECORD*.

The House-passed bill is an end-run around the Constitution's requirements for amendment. It does not have the required support of two-thirds of even the House Chamber. Equally important, it is not necessary. Congress has the power now to take steps to avoid a government default and get us on the path to balancing the budget, just as we did at the end of the Clinton administration. This debate is a distraction from the hard work and hard choices that need to be made.

The good news is that we do not need to amend the Constitution to balance the budget. Never have. Never will.

The proposed constitutional amendments would also perpetuate bad policy. They are intended to enshrine tax breaks for millionaires and wealthy corporations. It is no wonder that Alexander Hamilton described supermajority vote requirements as "poison." We need a balanced approach to fix the deficit problem. We cannot merely cut our way to balance any more than eliminating congressional earmarks will balance the budget. We will need to close the most egregious tax loopholes and everyone will have to sacrifice and contribute their fair share.

There should be no mistake: The proposed amendments to the Constitution are not just unnecessary, they are unwise, unsound, and dangerous. In my view, the House-passed bill and the proposed amendments it requires demeans our Constitution. Never in our history have we amended the Constitution—the work of our Founders—to impose budgetary restrictions or to require supermajorities for passing legislation. Yet now we are saying: Let's do it on a whim. Let's do it without any hearings. Let's do it because we can do it.

It would for the first time enshrine minority rule and undermine our constitutional democracy. It will destabilize the separation of powers among our three branches of Government and put into the hands of bureaucrats and judges the fiscal policy of the United States.

Who is to decide what the "GDP" was for a particular time period, what is to be included and what is not? How often do those estimates and artificial constructs get revised? Since when do economic surveys and extrapolations become embedded in the Constitution? What justifies the constitutional permanence of the number 18, as opposed to 17 or 18.5 or 20? Do we really want judges deciding whether an economics line written into the Constitution has been breached? What remedies could

judges order if they find a breach? Who has standing to bring those challenges? None of these questions has been adequately debated or considered.

Alternatively, we could end up with future Congresses having to slash Social Security or Medicare or Medicaid, unable to respond to natural disasters or national security emergencies. I note that the budget proposed this year by Representative RYAN and the House Republicans with all its draconian cuts and the end of Medicare as we know it would not satisfy this arbitrary limit. Nor would the budgets of President Reagan. Consider whether we could witness future Congresses unable to meet the arbitrary limit and going into violation of that unsound constitutional prescription and the Constitution itself?

At the beginning of our Republic, the national Government took on the debts of the States. These proposed constitutional amendments are a recipe for pushing costs and responsibilities onto the states. And doing so at a time when State governments need our help, not more unmet needs.

The Senate Judiciary Committee has considered several balanced budget amendments over the years. The Senate proposal this year is even more extreme than the version the Senate rejected in 1995 and again in 1997. It is reckless and foolish to rush Senate consideration of such a radical proposal to change our Constitution, without process or consideration.

All Senators swear an oath to "support and defend the Constitution of the United States." That is our duty and responsibility. The pending amendments to the Constitution threaten the constitutional principles that have sustained our democratic form of government for more than 200 years. The Constitution allows America to flourish and adapt to new challenges. We have amended it only 17 times since the Bill of Rights was added.

Our Constitution deserves protection. I stand with the Constitution today and I will support the motion to table this ill-conceived legislation.

Mr. President, I ask unanimous consent to have printed in the *RECORD* the materials to which I referred.

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

[From USA Today]

OUR VIEW: BUDGET AMENDMENT WRONG
VEHICLE FOR RIGHT PRINCIPLE

In 1997, the Senate came within a single vote of passing a constitutional amendment mandating a balanced federal budget. Backers made all the same arguments you'll hear today when the House takes up a new version of the old elixir: An amendment will finally force Congress to balance the budget, we'll never have a balanced budget without one, and so on.

But a funny thing happened after that amendment failed in 1997. Thanks to prior deficit-reduction deals and a strong economy, the federal government ran a surplus in 1998 and for the next three years. Then an economic downturn, huge tax cuts, two un-

funded wars and an unfunded expansion of Medicare plunged the budget back into the red, where it has been ever since.

The moral is, Congress doesn't need a constitutional amendment to balance the budget. It just needs the will to do it and the willingness to compromise over how. But rather than make the tough decisions about spending cuts and revenue increases, it's always easier to vote for a balanced budget amendment.

And not just any balanced budget amendment. Rather than embrace the same legislation that almost passed in 1997 and would surely attract Democratic votes this time around, backers have made the latest version so extreme that it's virtually certain not to pass both chambers of Congress, much less the three-fourths of states required for ratification.

This new version—part of the Republicans' "Cut, Cap and Balance" plan—sets a permanent limit on spending equal to 18% of the economy, a level it hasn't achieved since 1966. (The plan of conservative House Budget Committee Chairman Paul Ryan, R-Wis., would leave spending at around 20% of GDP for the next two decades as Baby Boomers retire.) Raising taxes would require two-thirds of votes by the House and Senate.

Reading between the lines, it's clear that many supporters care less about cutting the deficit than about rewriting the Constitution to embrace an economic theory that shrinks government and makes it almost impossible to raise taxes.

Certainly, balancing the budget is a sound goal. We've been supporting it in this space for more than 20 years. Congress and successive presidents have demonstrated an inability to match revenue and spending. Something has to be done to change the incentives.

But the fatal flaw in virtually any balanced budget amendment is that it ties the government's hands in times of economic distress. When those sorts of crises hit, the government needs to be able to move quickly to rescue major financial institutions and deploy "automatic stabilizers," such as unemployment benefits and food stamps that steady the economy until private-sector forces can create a recovery. Failure to intervene caused the Great Depression of the 1930s, and had a balanced budget amendment been in place when the financial crisis struck in 2008, there's no doubt at all that we'd be living through another one now.

Backers also argue that because states have to balance their budgets, the federal government should, too. But the federal government has responsibilities the states don't, most notably to protect national security. And when state revenues collapse, the federal government serves as a critical lifeline.

Preferable alternatives to a constitutional amendment include pay-as-you-go requirements and firm spending caps that require lawmakers to make choices, rather than run up debt. But why make tough choices now when you can vote for a gimmick that someday, maybe, would address the problem?

[From the New York Times, July 4, 2011]

MORE FOLLY IN THE DEBT LIMIT TALKS

Congressional Republicans have opened a new front in the deficit wars. In addition to demanding trillions of dollars in spending cuts in exchange for raising the nation's debt limit, they are now vowing not to act without first holding votes in each chamber on a balanced budget amendment to the Constitution.

The ploy is more posturing on an issue that has already seen too much grandstanding. But it is posturing with a dangerous purpose: to further distort the

terms of the budget fight, and in the process, to entrench the Republicans' no-new-taxes-ever stance.

It won't be enough for Democrats to merely defeat the amendment when it comes up for a vote. If there is to be any sensible deal to raise the debt limit, they also need to rebut the amendment's false and dangerous premises—not an easy task given the idea's populist appeal.

What could be more prudent than balancing the books every year? In fact, forcibly balancing the federal budget each year would be like telling families they cannot take out a mortgage or a car loan, or do any other borrowing, no matter how sensible the purchase or how creditworthy they may be.

Worse, the balanced budget amendment that Republicans put on the table is far more extreme than just requiring the government to spend no more than it takes in each year in taxes.

The government would be forbidden from borrowing to finance any spending, unless a supermajority agreed to the borrowing. In addition to mandating a yearly balance, both the House and Senate versions would cap the level of federal spending at 18 percent of gross domestic product.

That would amount to a permanent limit on the size of government—at a level last seen in the 1960s, before Medicare and Medicaid, before major environmental legislation like the Clean Water Act, and long before the baby-boom generation was facing retirement. The spending cuts implied by such a cap are so draconian that even the budget recently passed by House Republicans—and condemned by the public for its gutting of Medicare—would not be tough enough.

Under the proposed amendments, the spending cap would apply even if the government collected enough in taxes to spend above the limit, unless two-thirds of lawmakers voted to raise the cap. More likely, antitax lawmakers would vote to disburse the money via tax cuts. Once enacted, tax cuts would be virtually irreversible, since a two-thirds vote in both houses would be required to raise any new tax revenue. It isn't easy to change the Constitution. First, two-thirds of both the Senate and House must approve an amendment, and then at least 38 states must ratify the change.

But expect to hear a lot about the idea in the days ahead and in the 2012 political campaign, with Republicans eagerly attacking Democrats who sensibly voted no.

Democrats, undeniably, have a tougher argument to make. A fair and sustainable budget deal will require politically unpopular choices on programs to cut and taxes to raise. Americans deserve to hear the truth: There is no shortcut, no matter what the Republicans claim. Nor is their urgency to impose deep spending cuts now, while the economy is weak, as Republicans are insisting.

What is needed is enactment of a thoughtful deficit-reduction package, to be implemented as the economy recovers. If politicians respect the voters enough to tell them the truth, the voters may reward them at the polls.

[From the Washington Post, July 14, 2011]

A BALANCED BUDGET AMENDMENT ISN'T THE ANSWER (Editorial)

Amending the Constitution to require a balanced budget is a bad idea that never dies. It's not surprising that the current avalanche of debt has inspired renewed calls. Given that the political system appears unable to discipline itself not to spend more—trillions more—than it takes in, why not tie lawmakers' hands to prevent them from piling ever more debt on the national credit card?

The answer: The constitutional cure, while superficially tempting, would be worse than the underlying disease. A balanced-budget amendment would deprive policymakers of the flexibility they need to address national security and economic emergencies. It would revise the Constitution in a way that would give dangerous power to a congressional minority.

The latest push from lawmakers advocating the amendment is to couple a vote on the proposal with an agreement to raise the debt ceiling. On the surface, this argument seems benign enough: Why not give states the chance to decide whether the Constitution should mandate a balanced budget? But policymakers have an independent responsibility to assess whether an amendment is wise. This one, especially in its latest incarnation, is not. It would require a two-thirds vote in both houses of Congress to run a deficit in any year. The same supermajority would be needed to enact any tax increase. Compare those hurdles to the version of the amendment that passed the House in 1995, which called for a slightly lower three-fifths vote in each house to pass an unbalanced budget or increase the debt ceiling and a mere majority vote to increase taxes.

Worse yet, the latest version would impose an absolute cap on spending as a share of the economy. It would prevent federal expenditures from exceeding 18 percent of the gross domestic product in any year. Most unfortunately, the amendment lacks a clause letting the government exceed that limit to strengthen a struggling economy. No matter how shaky the state of the union, policymakers would be prevented from adopting emergency spending, such as the extension of unemployment insurance and other countercyclical expenses that have helped cushion the blow of the current economic downturn. The 18 percent cap on spending is so severe that House Budget Committee Chairman Paul Ryan's economic plan would violate its strictures. So would any budget passed under President Ronald Reagan. With health-care costs rising and the number of retiring baby boomers increasing, it would be next to impossible to keep spending to that low share of the economy.

Both houses of Congress are expected to vote on the amendment next week, but a responsible lawmaker's obligation does not end at voting against this version. Even a less draconian rendition—without the spending cap or with lower thresholds for approving tax increases or running deficits—would be the wrong approach. If a balanced-budget amendment had been in place when the economy crashed in 2008, Congress would have been unable to respond with a stimulus package or efforts to stabilize banks and auto manufacturers. Even if you believe that was the wrong policy response, it is important that Congress retain the flexibility to craft the correct one.

The fiscal situation is perilous. It's commendable that members of Congress are trying to right it. The balanced-budget amendment remains a deeply flawed approach to achieving a noble goal.

[From the New York Times, July 17, 1990]

NO TO A BALANCED BUDGET AMENDMENT

The balanced budget amendment that the House will vote on today is impractical, unenforceable and wouldn't end Federal deficits. But it would litter the Constitution with a vacuous promise, and invite greater cynicism in budget-making.

Deficits are arbitrarily defined and easily manipulated. Achieving a specific level, like zero, has no special economic significance. And trying to hit that target could play havoc with valuable Federal programs and a

declining economy that might need deficit spending.

Yes, Congress should keep deficits from spiraling upward. But there is no immediate crisis, and the deficit—compared with the size of the economy—has already been cut in half under the Gramm-Rudman-Hollings budget law. More needs to be done. The prudent way is to amend Gramm-Rudman to make it work better, not spoil the precious Constitution in a quixotic search for a quick fix.

The proposed amendment would require a three-fifths vote in both houses to run a deficit. That, say the sponsors, would provide the flexibility to run deficits when they are needed but stymie unnecessary borrowing. But nowhere does the amendment come to grips with political reality. Evasion would be simple. Congress could move programs "off budget," like funds for the savings and loan crisis.

The amendment also would require Congress and the President to agree on revenue and expenditure estimates. But politicians have a common interest in fudging such projections and pretending to pass a balanced budget. The amendment's only safeguard against self-serving projections is the proposed three-fifths vote to raise the debt ceiling. That way legislators eventually would be forced to confront the issue. Yet garnering enough votes would be easy since to vote otherwise would bring the Government to a screeching halt.

As for states that have balanced budget amendments, they also have separate capital accounts. That allows them to borrow money for long-term investments in infrastructure. There is no separate capital account in the Federal budget. So a requirement to balance the budget would create a horrific incentive for Congress to avoid costly investments in railroads, education and research.

Congress has been unable to make the Gramm-Rudman budget law work fully as intended. But amending it to plug loopholes would be far easier, and better, than drafting a skimpily worded constitutional amendment.

[From the Washington Post, July 18, 2011]

WHY A BALANCED-BUDGET AMENDMENT IS TOO RISKY

(By Norman J. Ornstein)

It is no surprise that a constitutional amendment to balance the budget would re-emerge now—there's the symbolism of standing for fiscal rectitude and wrapping that position in the cloak of the Constitution. And nearly all states have constitutional provisions to balance their budgets, so why should the federal government be different?

But the answer to that question is a key reason a constitutional amendment to balance the federal budget would be disastrous.

A sagging economy requires what we call countercyclical policy, stimulus to counter a downturn and provide a boost. The need for countercyclical policy became apparent in the 1930s, after the opposite response to economic trouble caused a dizzying collapse; its application early in Franklin Roosevelt's presidency succeeded in pulling the United States out of the Depression (until a premature tightening in 1937-38 pulled us back down into it).

Countercyclical policy is what every industrialized country in the world employed when the credit shock hit in late 2008, to avoid a global disaster far more serious than the one we faced. Under a balanced-budget amendment, however, no countercyclical policy could emanate from Washington. Spending could not grow to combat the slump. And while the Obama stimulus did not jump-start a robust economic recovery,

any objective analysis would find that absent the \$800 billion stimulus, the economy would have spiraled down much further.

State balanced-budget requirements make the option of a federal balanced-budget amendment dangerous. When state revenue declines during economic downturns, state spending on unemployment and Medicaid increases. To balance their budgets, states have to raise taxes and/or cut spending, the opposite of what is needed to emerge from a fiscal funk. This is the economic equivalent of the medieval practice of bleeding to cure any ailment, including anemia. In 2009, the fiscal drag from the states amounted to roughly \$800 billion; in effect, the stimulus from Washington merely replaced the blood lost by the state-level bleeding.

Even balanced-budget amendments that have a waiver for recessions are a risk because there is often a lag between a recession itself and when it is recognized. That lag could produce more inopportune bleeding.

The amendment under consideration has its own deep flaws. The Republican proposal would cap spending each year at 18 percent of gross domestic product. Because the formula is based on a previous year's economy, it would mean, according to Republican economist Don Marron, a cap of more like 16.7 percent of GDP. This in turn means that the House-passed budget proposed by Rep. Paul Ryan, which calls for draconian cuts in Social Security, Medicare, Medicaid and discretionary domestic programs, would not be nearly draconian enough. Accounting for population changes, the 16.7 percent limit would mean slashing Social Security and Medicare well below the levels contemplated by the bipartisan Simpson-Bowles fiscal commission, and cutting discretionary spending by half or more. It is hard to make the case that decapitating food inspection, air traffic control, scientific research, Head Start, childhood nutrition programs and more, as the amendment would almost certainly require, would lead to a healthier economy, itself a necessity to solve the debt problem.

To be fair, the amendment has a safety valve—a two-thirds vote of both chambers can authorize a deficit. But imagine the chances of securing a two-thirds vote in this Congress. Similarly, its requirement that 60 percent of both houses vote to increase taxes or the debt limit would result in political gridlock and opportunities for legislative blackmail.

That this amendment has been endorsed by all 47 Republicans in the Senate, and that a dozen Republicans have pledged not to increase the debt limit without the amendment, are sad commentaries on our politics. But the effects should this amendment be adopted would be frightening.

Norman Ornstein is a resident scholar at the American Enterprise Institute and co-author of "The Broken Branch: How Congress Is Failing America and How to Get It Back on Track."

[From the News Leader, July 17, 2011]

BALANCED BUDGET AMENDMENT UNWISE

Instead of making a good faith effort to work toward a compromise and actually do something good for the country, Republicans in Congress once again are bandying about a feel-good piece of legislation that could only further hogtie the government.

The balanced budget amendment is a flag conservatives love to run up the pole when they think they can get the American public to hate free-spending Democrats a little bit more. It's disingenuous at best. Congress should not require a special rule that says its members use common sense when making vast and expensive decisions. When it comes

to international conflicts, domestic terror threats and economic recessions, the added steps of arguing to get around a balanced budget amendment is not what is needed.

But when it comes to running the government, members of Congress need to use forethought and that not-so-common common sense to avoid unproductive tax cuts, conflicts without reasonable exit strategies and the ability to find solutions when deficits grow too large.

The timing of our own Rep. Bob Goodlatte's amendment might sound quite reasonable to a lot of people right now. But it isn't reasonable. It's another ploy by those who don't want a solution to the real problem, but just a way to make gullible followers believe they've found a solution to our budgetary woes.

A balanced budget amendment does not equal smaller government with less spending. Like any household, the only way to balance a budget is by trimming expenses and adding revenue. Pressed to balance a budget would force Congress to raise taxes, especially if we are to hang on to high-cost government entitlements like Social Security and Medicare.

It's not a solution. Demanding that a balanced-budget amendment go along with any agreement toward raising the debt ceiling simply will drag the whole thorny mess down even more.

Mr. LEAHY. Mr. President, I yield the floor.

The PRESIDING OFFICER (Mr. COONS). The Senator from South Carolina.

Mr. GRAHAM. Mr. President, how much time remains on our side?

The PRESIDING OFFICER. There is 5½ minutes.

Mr. GRAHAM. I would appreciate the Chair letting me know when 4 minutes has expired.

Let us put this debate in context. In 2010, we had a major election in the country. The people who were elected in the House made promises to their constituents: If you send me to Congress, I will try to change the system and deal with the fact our Nation is being run into the ground.

We have more debt than any future generation can ever pay off, with 40 cents of every dollar we spend being borrowed money. If you are born today, you inherit about \$48,000 of debt. We are spending more on Social Security payments than we collect in taxes. Medicare is underfunded by \$30-something trillion over the next 75 years. When you add up all entitlement programs, we are about \$50 trillion short of the promises we have made.

Simply put, the House Republicans who were elected, during their campaigns said: I believe Congress is out of control. We are going to become Greece, and I want to do something about it.

What did you expect when they got here? They would say: Okay, I have been taught the real way the Congress works, and it is all okay. They did something about it. Congratulations. Anytime a person running for office fulfills the promises they made to their constituents, they have done a great service to democracy.

Cut, cap, and balance is the House effort to reduce spending not 10 years

from now but this coming year. The problem with all these plans and the very sincere efforts in the past to solve our debt problems—Gramm-Rudman-Hollings, the Balanced Budget Agreement of 1997 between President Clinton and the Republicans—and I was here then when we achieved balance, because we restricted the growth of entitlements such as Medicare, we restricted doctor and hospital payments, and we actually balanced the budget for a year or two, but then we found out how much it was hurting doctors and hospitals. We didn't institute real reform. We began to nickel and dime doctors and hospitals, and guess what. We stopped the program and we spent all the surpluses.

How do you get \$14-trillion-plus in debt? Both parties are working together. This has been a bipartisan effort for about 30 years to run the country into the ground. I want a break. I want to have a bipartisan effort to save the country from becoming Greece, and the only way you can do that is to put ideas on the table.

Please, I say to my Democratic colleagues, let this debate go forward. If this is not worth debating, what would be? How do you save the country from becoming a debtor nation to the point the next generation can't inherit the American dream? If you have a better plan than cut, cap, and balance, please show it to us. We are willing to raise the debt limit, but we are not going to do it without changing the reason we got in debt.

The cut part reduces spending in 2012 by \$100 billion. That will cause some pain, but it is eminently doable. It is about 3 or 4 percent of the Federal budget. I think most people at home believe they can cut their budget 3 or 4 percent. If they had to do it to save their family, they would. We are talking about saving the country.

The cap is an effort to control spending over 10 years to wipe out the \$1.4 trillion deficit. We are going to become Greece because we are going to have 100 percent of debt to GDP in about the next 20 years, and a trillion-plus deficit has to be changed. You can't do it overnight, but you should be able to do it over 10 years.

The centerpiece of the House legislation is the balanced budget amendment to the Constitution. What rational person believes that Republicans on this side and Democrats on that side are ever going to find a way to fix our Nation's problems without something new happening?

The PRESIDING OFFICER. The Senator has consumed 4 minutes.

Mr. GRAHAM. I thank the Chair.

After 40 years, the evidence is in. The Congress is broken, and unless you change the system fundamentally, we are going to run our Nation into the ground. So I support a balanced budget amendment.

Here is the way it works: You have to get two-thirds in the Senate and the House and three-fourths of the States

have to ratify the balanced budget amendment. Give the people of America a chance to have their say. Let's pass a balanced budget amendment to the Constitution before we take the country and put it in a situation beyond redemption. The only thing that is ever going to change this body, I am sad to say, is some discipline imposed by the Constitution itself.

I promise my colleagues to work with you where I can. But for the rest of my time in the Senate—and I don't know how long it is going to be—I am going to push a balanced budget amendment to the Constitution, because I don't trust the Congress to do the hard work on its own. And when I say that, I mean Republicans too.

Ms. SNOWE. Mr. President, I rise in opposition to the motion to table the motion to proceed to H.R. 2560, the Cut, Cap, and Balance Act of 2011. At this critical juncture in our Nation's history, the Federal Government's record of fiscal recklessness proves we must work to guarantee fiscal responsibility not just for our time, but for all time. In that light, I believe it deserves debate and an open process that would allow for changes and improvements so we can ultimately pass a measure ensuring we are never again confronted with a vote to raise our Nation's debt ceiling. And I am therefore deeply disappointed and troubled that the majority in the Senate is not permitting us to proceed to any further discussion or votes on this bill.

To achieve that goal, an indispensable element of the cut, cap, and balance bill is the balanced budget amendment—and I have been a champion of balanced budget amendments throughout my tenure. And in fact, this legislation before us represents the one and only opportunity we will likely have as we lead up to the debt ceiling deadline to consider and pass just such an amendment. Given our historic \$14.3 trillion national debt, the record \$1.6 trillion deficit for the current fiscal year, and the unrestrained and skyrocketing growth of government programs and services, we have little choice but to seriously and thoroughly debate measures to bring certainty and solutions to our broken budget process. We must commence a process that will force our government to reevaluate priorities and live within its means.

Indeed, this is a threshold moment in our Nation's history to determine precisely what kind of nation we want to be. Will our fiscal future be held hostage to interests overseas, threatening both our national and economic security? Will we cede our destiny to countries like China, which already holds approximately one-fifth of our gross debt? Or will we seize the financial reins, pass a constitutional balanced budget amendment, and reclaim our future?

Given what is at stake and Congress's perpetual disregard for fiscal responsibility, frankly, the burden is squarely upon the opponents of this resolution

to justify how business as usual is sustainable for our Nation. Indeed, last week the President asserted that, "we don't need a constitutional amendment to do our jobs." Well, if that were true, if such an amendment isn't required for us to do our jobs, why then do we find ourselves wallowing in this economic morass? If Congress actually possessed the capacity to forestall skyrocketing debt of its own volition, why are we mired in a major debt crisis?

So let us not be confused as we hear all of the usual diversionary excuses why this amendment shouldn't pass. And having cosponsored a balanced budget amendment 18 times since my very first days in Congress, and having made statements in favor of it 35 times on the Senate and House floor, believe me, I could recite them all by rote—how a balanced budget amendment will be overly restrictive, spending reductions too substantial, and that other measures would be equally effective without changing our Constitution. I recall during a House floor debate in 1992, colleagues asked: What if appropriations exceed estimated revenues? What if the President and Congress underestimate the amount of federal revenues in a fiscal year? What if it requires budgetary adjustments as a result of a contracting economy, or inaccurate estimates?

And my response then was the same as it is now—welcome to the real world! That is what families, businesses and frankly, 49 States that have adopted balanced budget requirements confront day in and day out. State governors and legislators cannot leave their Capitols if their budgets aren't balanced and the U.S. Congress should be no different.

Instead, we have not only a fiscal gap in Washington but a shameful imbalance between the trust the American people have placed in us, and the responsibilities we must carry out if we are to demonstrate worthiness of that trust. The demonstrable reality is that, absent a permanent mechanism that forces the Federal Government to set and fulfill its fiscal priorities, Congress will blithely continue its wayward practices. Indeed, the reason many lawmakers don't want a balanced budget amendment is the exact reason why it's essential—and that is to permanently end the types of legislative trickery that have brought our country to the edge of a fiscal chasm.

The facts speak for themselves. On March 4, 1997, when the balanced budget amendment failed to pass in the Senate by one vote, our gross debt was \$5.36 trillion, a number we rightly all found staggering! But apparently it wasn't staggering enough, as the abysmal track record following 1997 dramatically demonstrates.

In 1999, just 2 years after that fateful vote in which the balanced budget amendment failed to pass, the debt rose to \$5.6 trillion. By 2002—it was \$6 trillion. In 2004—\$7 trillion. In 2006—\$8 trillion. By 2009—it rose to \$11 trillion,

and last year to \$13.5 trillion. The bottom line is that from 1997 to 2011, the national debt has almost tripled. Tripled—to an unprecedented \$14.3 trillion. And now we are asked to raise the ceiling again to \$16.5 trillion.

Our government has balanced its budget only five times in half a century. Five times. Our 1997 deficit was \$22 billion; this year's is projected to be 73 times as high, at \$1.6 trillion. Does anyone know any families out there in America who are voluntarily spending 73 times what they spent in 1997? Families across the country have been paying down their credit cards. They are facing reality, while Congress continues to binge-spend, unabated.

In 1992, I said on the House floor that, "we have no way of knowing how bad things might get if we continue without the balanced budget amendment." Well, regrettably, now we do know, and the situation is dire as our outstanding debt now projected to reach 100 percent of GDP this year—which some economists have labeled an "economic danger zone." In fact, economists report that gross debt levels above 90 percent of GDP slow economic growth by 1 percent per year, resulting in approximately 1 million jobs lost. So I defy anyone to explain how we could have amassed these mind-numbing levels of debt relative to our GDP, and yet a balanced budget amendment is not a necessity.

We have tried every statutory structure possible yet nothing we have implemented has withstood the test of time, circumvention, or clever gimmickry to successfully and consistently bind both the House and the Senate to provide continuity from Congress to Congress, to act in a fiscally responsible manner. Nothing. And no one can disavow the consequences of this lack of self-imposed accountability, which has engendered shockingly deficient oversight and review of our spending and Federal programs, both those already existing, and those proposed. As a result, we continue to pile on program after program with impunity.

We have witnessed the positive effects of statutory limits with past budget enforcement mechanisms such as the Gramm-Rudman-Hollings Act, the 1990 Budget Enforcement Act, and the 1997 Balanced Budget Act that saved upward of \$700 billion, and those measures led to 4 years of surpluses. But we allowed them to lapse, to wither on the legislative vine, and that has led us directly to the "wild west" mentality of today in which our entire budget and appropriations processes have virtually disintegrated.

Congress is required by law to adopt a budget resolution by April 15, yet in the past 36 years Congress has met that deadline just six times. Throughout the last 10 years, Congress has approved a budget resolution on only six occasions. Congress failed to complete action on a budget resolution for 5 fiscal years—1999, 2003, 2005, 2007, and 2011—

that all ended with large, spendthrift, omnibus appropriations measures or continuing resolutions.

Last year, no budget and no appropriations bills passed for the first time since the current budget rules were put into place in 1974, almost resulting in a shutdown of the Federal Government in April 2011. We have had 87 continuing resolutions in the past 14 fiscal years and passed not even a single one of the 12 individual appropriations bills for the current fiscal year. This tacit acceptance of dysfunction in our budget and appropriations processes has only exacerbated the trend-line of unbridled federal spending, and it is symptomatic of the miniscule value Congress has assigned to averting economically corrosive deficits and debt.

It is certainly not as though we lack the time to fulfill our legal requirement to complete budgets by April 15—and just ask the American people if they aren't required to meet their tax filing deadline on April 15! In fact, the nonpartisan Congressional Research Service reports that from January 5, 2011, through July 1, 2011, the Senate has been in session for 541 Hours, 243 hours of which have been spent in Morning Business—that is 45 percent of our time spent in nonlegislative activity. We couldn't have voted on a budget resolution? No wonder only 18 percent of the country believes Congress is doing its job, which only makes me wonder—who exactly are those 18 percent?

Even when we had the historic opportunity of 4 consecutive years of Federal surpluses beginning in 1998, we squandered it with a deplorable lack of foresight. In 2001, the last year of surpluses when our debt was \$5.8 trillion, I introduced a legislative trigger mechanism to link long-term Federal budget surplus reductions with actual budgetary outcomes and later led a bipartisan, bicameral group with Senator Bayh to offer a subsequent amendment, recognizing that federal surplus projections were merely that—projections. Yet both measures were dismissed and decided.

And what has been the result? Since 2002, the Nation has run a deficit each and every year and our gross debt has increased from \$6.2 trillion to almost \$15 trillion. Over the past 5 years alone, government has managed to increase spending by a remarkable 40 percent, contributing to the largest budget deficits in our history over the last three consecutive years. We are now borrowing roughly 40 cents of every dollar we spend.

The reality could not be more stark—the balanced budget amendment is the only vehicle before us that will guarantee that a balanced budget will be the rule, rather than the exception—because it will compel Congress, through the ultimate authority of the Constitution—to return to the regimentation and discipline of the budget and appropriations processes, and thereby force the government to estab-

lish priorities and abide by those priorities.

To paraphrase a statement I made during one particular balanced budget debate in the House, the Constitution is not for window dressing. It is not to score political points for any particular party. It is not for more games and gimmicks—and in fact, as I have stated many times, if it were a gimmick Congress would have passed it long ago! Rather, the purpose is to protect current and future generations from the crushing weight of ever-escalating debt that threatens America's security and our very way of life.

There should be no mistake—debt and deficits are always a dangerous combination, and especially at a time when we are experiencing an unprecedented period of long-term unemployment with more than 22 million Americans unemployed or underemployed, and another 2.2 million who want a job, but are so discouraged they stopped looking for work altogether. Consider that, in the 29 months since President Obama took office, unemployment has dipped below 9 percent for only 5 months, and actually increased to 9.2 percent in June. And yet at a moment when every dollar government spends should be wisely dedicated to job creation to return us on the path to prosperity, we are forced to commit an astounding \$200 billion per year just to service our debt.

The cost of net interest alone will more than triple in the next 10 years to reach nearly \$1 trillion per year in 2021. In fact, the CBO's most recent long-term outlook states that by 2035 interest costs on our Nation's debt would reach 9 percent of GDP, more than the U.S. currently spends on Social Security or Medicare! And if interest rates were just one percentage point higher per year, over ten years the deficit would balloon by \$1.3 trillion from increased costs.

Ironically, the conversations in Washington are about how the markets will react if we do not raise the debt ceiling, but the markets are already reacting. Standard & Poor's recently downgraded the Nation's outlook from “stable” to “negative,” Moody's warned that our “AAA” rating could be lost if we do not reduce deficit spending, and large funds like PIMCO are divesting holdings of U.S. bonds.

And let's be perfectly clear—it is not only our economy that may suffer should we dive into the fiscal abyss. When ADM Mike Mullen, the Chairman of the Joint Chiefs of Staff, identifies the national debt as the single biggest threat to our national security—that ought to compel us to stand up and take notice. Yet in the absence of a balanced budget amendment, any fiscal foothold we may gain with measures implemented in this Congress could be summarily reversed by subsequent Congresses—whereas, a balanced budget amendment would establish an indissoluble contract with future generations that would cement fiscal responsibility in perpetuity.

So let us be unambiguous what this debate is about. It is a fundamental disagreement between those who are concerned about our future economic standards, and those who are willing to erode the economic opportunities that have become the very hallmark of the American dream. You see, the dirty little secret is that those who oppose a balanced budget amendment don't want their hands tied . . . they don't want the fiscal restraints. Well, to them I say, this is America—can't we do better?

Well, we can do better, and we must—and therefore, I will vote to proceed with this legislation. Critically, it contains a provision that exempts Medicare, Social Security, and veterans benefits from the spending caps. At the same time, I recognize it is not a perfect bill. In fact, again I believe there should be a full and open debate during which members can offer amendments to improve this legislation and I regret that the majority here in the Senate will preclude that possibility.

I can foresee a number of improvements I would propose, including the addition of a “pay-for” title in the legislation that would provide for additional, mandatory savings including eliminating ethanol subsidies and direct agricultural payments to high-income farmers, and rescinding unspent stimulus and TARP funds, that could be better utilized within Medicare and Medicaid. And we must also enact straightforward budget policy reforms so that Congress no longer relies on accounting gimmicks. These are but a number of the improvements that would save billions of dollars and put our nation on a path toward fiscal responsibility.

Again, the central question before us is as old as the founding of our great republic—and that is, what kind of nation do we want to be? That was the same question that historian David McCullough addressed years ago before group of legislators when he discussed the milestones achieved by Congress when leaders worked together.

“Think what your institution has achieved,” he observed. “It was Congress that created the Homestead Act. It was Congress that ended slavery. It was Congress that ended child labor. It was Congress that built the Panama Canal, the railroads and the Interstate System. It was Congress that created Social Security. It was Congress that passed the Voting Rights Act. It was Congress that sent Lewis and Clark to the West, and sent us on voyages to the moon.” And some acts of Congress, he pointed out, like the Marshall plan and lend lease, were achieved under crisis conditions.

I honestly believe that this spirit of accomplishment can be re-captured—and what could be a more fundamental place to start than with the future fiscal health of our Nation? We can either bring disrepute upon ourselves by continuing to mortgage our future to

cover the fiscal offenses of today or we can rise to the occasion, meet our moral responsibility, and bequeath the generations to come a nation unencumbered by the shackles of perpetual debt. The choice is ours, and history awaits our answer.

Mr. LEVIN. Mr. President, the path to deficit reduction is difficult, but some of the essentials are clear for all to see. We must cut spending, which will require real sacrifice on the part of American families. We must also add revenue, which has plunged so dramatically thanks to Bush-era tax cuts that flow primarily to the wealthiest among us. And we must avoid proposals that would see the most vulnerable among us pay the highest price for deficit reduction.

That is the path a broad array of budget experts, Democratic and Republican, tell us is the only way to relieve our debt problem. And it is the path the American people tell us they understand that we need to take. In surveys after survey, poll after poll, Americans voice their support for a balanced approach to deficit reduction, one in which we cut spending, yes, but also address revenues by closing tax loopholes and asking the wealthiest among us to share in the sacrifices that are required to bring down the deficit. And they tell us, unequivocally, that they do not want us to fall short of our commitment to the most vulnerable, especially those who depend on Social Security and Medicare for a secure retirement.

So this is the true path to deficit reduction: targeted and sometimes painful spending cuts; closing tax loopholes, asking wealthy taxpayers to join in the sacrifices we must make; and protecting the social safety net on which our most vulnerable citizens depend.

We can choose that path, difficult though it may be. Or we could take a path like the one laid out in this legislation—a path leading straight off a cliff. The American public has made it clear to the Republicans in the House of Representatives that its budget objectives, as laid out in the draconian budget plan they sent to us earlier this year, are unacceptable. Rather than heeding that message, Republicans have sent us a plan that's even worse than the first.

The budget championed by House Republicans this year would have added more than \$6,000 a year to the typical senior's medical bills. The plan before us today tacks another \$2,500 or more onto that bill.

The budget plan from House Republicans this year cut billions from Medicare to clear the way for billions in tax cuts for the wealthy. The plan before us today would enshrine protection for those tax cuts in the Constitution by requiring two-thirds majorities in both Houses to enact any revenue increase, making it virtually impossible for future Congresses to reverse such disastrous policies, or to remove tax loop-

holes for oil companies or tax incentives for companies that ship jobs overseas.

The budget plan from House Republicans this year would cost an estimated 700,000 jobs by removing support from an already weakened economy. The economy has, if anything, become more worrisome since that budget came to us, but the legislation before us today follows the same destructive path.

Let us be clear: What Republicans have proposed is to abandon our commitments to the safety, security and prosperity of the American people. They would slash Medicare and Social Security, and leave the rest of the budget so threadbare that it could not cover our important priorities. The American people want us to reduce waste and redundancy in Federal spending. But they do not want us to stop protecting the air we breathe and the water we drink, stop inspecting our food supply, stop patrolling our streets or borders or educating our young people or ensuring safe air travel or any of the things that help keep them safe and healthy and secure. And yet there is no doubt that under this plan, we would stop doing some or all of those things. We would have no choice.

It is especially disturbing that many of the same people arguing for these destructive policies are responsible for the policies that brought on our deficit to begin with. Republicans are quick to blame President Obama's policies for the deficit, but the vast majority of our current woes stem from policies adopted during the previous administration by Republican majorities in Congress. Republicans pushed for massive tax cuts, tax cuts that weren't paid for and that flowed overwhelmingly to the wealthy. Republicans pushed for a war of choice in Iraq that was not paid for.

Our Republican colleagues like to compare the Federal Government to a family. Families have to balance their budgets, they say; why can't the government? Well, the Federal "family" had a balanced budget under Democrats. Republicans wrecked our fiscal discipline with the Bush tax cuts and wars that were not paid for, and now they want middle-class and vulnerable Americans to pay the price. If the government is a family, then Republicans are the guy who gets a big raise, blows the whole raise plus the family savings on a hot rod, gets fired from his job, loses his income, and decides to stop paying the kids' tuition so he can keep the hot rod.

That is the path they propose, in this legislation. We can't follow that path. The better path is difficult, but it is clear. I hope our Republican colleagues will abandon the path of ruin, reject this destructive bill and join us in making the hard choices that the people we serve need us to make, and soon.

I yield the floor.

The PRESIDING OFFICER. The Senator from West Virginia.

Mr. MANCHIN. Mr. President, I rise today to speak of one of my gravest concerns, which is our Nation's fiscal future.

All of us—Democrats, Republicans, liberals, moderates, conservatives—face a choice about whether we will seize the moment before us and confront our great fiscal nightmare or whether we will let this moment pass us by. Clearly, we face tough and difficult decisions. The decision we make as Members of Congress must be the right and responsible ones or our beloved Nation and our hard-working families will needlessly suffer.

In my State, when I became Governor, we faced challenging times—growing debts and tough budget choices. When I was first elected in November of 2004, the first thing I did afterwards was go to New York and talk to the rating agencies—the people who knew our State best—to find out what our gravest challenges were. I went back home and we started making changes.

I did not blame anyone—any past administration, Republican or Democrat or any other body. I was elected to fix things, not to put blame on people. As West Virginians, not as Democrats or Republicans, we set about fixing the problems of our State. We didn't raise tax rates. People came to me and said we needed to do that, but I couldn't look people in the eye and do that without trying to run our State more efficiently.

The difference between what we did back home and what is happening here in Washington is that we faced these choices together. We worked across party lines in a responsible way to address our fiscal challenges. In doing so, we set our State on the right fiscal path and—let me stress again without sacrificing our moral responsibility or obligations to our seniors, our veterans, and the people most challenged in our society. We did that without raising their tax rates.

Right now, because we made the right choices, our State is doing well. Even in these most difficult, challenging financial times, we have had record surpluses every year—6 years in a row. For the last 3 years, we have been one of the few States in the Nation that has an increase in our rating from Standard & Poor's, Moody's and Fitch, the rating agencies. We did this by living within our means. It is the reason why I am such a strong supporter of a balanced budget amendment. It makes you put in place your priorities based on what your values are. I truly believe most Americans support a balanced budget. Every family I know in my State and in this Nation works off of some sort of a budget. Nearly all our State governments operate on a balanced budget. I have never seen another place, except here in our Nation's Capitol—our government in Washington—that puts a budget together based on what they want to spend, not on how much they have to spend.

But how we balance our budget is critically important. We have a moral responsibility and an obligation to our seniors, our families, and those who are the most fragile in our challenged society. That is why I cannot support the cut, cap, and balance plan passed in the House, which we will be voting on shortly. As a moderate Democrat who is also a proud fiscal conservative, I agree with the bill's goal of a balanced budget. However, I cannot support the path it takes.

The cut, cap, and balance plan does not reflect who we are or what we want to be as Americans. I believe we need to cut but not so deeply and without regard for our seniors and the most vulnerable. I believe we need a cap on our spending but not at a level that could destroy the most important and vital programs we have in our society. I strongly believe we need a balanced budget amendment but only one that takes a responsible and reasonable approach.

Clearly, we can all agree it is time for us to make the difficult choice that will get our financial house in order, but we must do so with the right plan in a responsible manner—one that keeps our promises to our seniors, our veterans and, most importantly, our children. And like it or not, neither Democrats nor Republicans can tackle this enormous challenge on their own. This is not a political problem, this is an American problem, one we all face. We should put politics aside and truly put our country first.

Earlier this week, I saw that spirit at its finest. On Tuesday of this past week, the Presiding Officer, along with 49 of our other colleagues, came together to listen to the Gang of 6, who worked so hard on ideas based on the President's fiscal debt commission. Democrats and Republicans rolled out the first bipartisan proposal to address the Nation's fiscal nightmare. At that meeting, 50 Senators from both parties—evenly split—came together to listen to the hard work of the Senators who spanned the ideological spectrum. At that moment, the Gang of 6 turned into what we affectionately called the "Mob of 50."

And for the first time in these negotiations about our fiscal future, we had a bipartisan plan with momentum that was putting our country first.

We should not waste this moment. We must work together to cut spending and attack waste, fraud, and abuse in every sector of our country, every department, every program that needlessly costs our Nation hundreds of billions of dollars every year.

We must work together to reform our Tax Code, not to raise tax rates but to make fairness a priority. It is simply unfair that hard-working middle-class families in West Virginia and all around this great country would pay more in taxes than a Fortune 500 company such as GE, which didn't pay a cent, or billionaires such as Warren Buffett who pays a lower effective tax

rate than his secretary. Democrats and Republicans must work together to remove unnecessary loopholes, subsidies, and tax credits we simply cannot afford in light of our ballooning debt.

It is time to end the three wars we have that we are spending so much on and the resources we can't afford and the lives we can't spare.

I say to all this is a time for us to come together as Americans, to put our politics aside, and do what is right for all of the future of this generation and for this country.

I yield the floor.

Mr. REID. Mr. President, I want to say to my friend from West Virginia, he has been a great addition to the Senate. We of course know he replaced the great, the legendary Robert Byrd. The people of West Virginia should be very happy with the performance of JOE MANCHIN and his executive experience as the Governor of the State of West Virginia, which had an impeccable record with surpluses every year he was there. He has brought this talent to Washington, and it has been very helpful to us all.

The PRESIDING OFFICER. The Republican leader.

Mr. MCCONNELL. Mr. President, 5 months ago, President Obama unveiled the only concrete statement he has made to date on our Nation's budget crisis, a 10-year budget plan so preposterous, so unequal to the moment that it was rejected in the Senate by a vote of 97-0. The President's response to this crisis was to pretend it didn't exist.

Two months later, the President doubled down on his vision for a future of debt by demanding that Congress raise the debt limit, without any cuts to spending or a plan to rein it in. It was a total abdication of leadership and it wasn't sustainable.

So over the past several weeks, the President has been doing his best impersonation of a fiscal moderate. He has talked about balance and left it to others to fill in the blanks.

Here is what Democrats in Congress have proposed as a solution: more spending and higher taxes to a debt crisis.

Yesterday, with the clock ticking, we heard reports of a volcanic eruption among Democrats at the suggestion that we should solve this crisis by focusing on reducing Washington spending.

The solution to this crisis is not complicated. If you are spending more money than you are taking in, you need to spend less money. This isn't rocket science. We could solve this problem this morning if Democrats would let us vote on cut, cap, and balance and join us in backing this legislation that Republicans support.

But the first step in solving a problem is to admit you have one, and too many Democrats refuse to admit that Washington has a spending problem. That is why Republicans have insisted that we focus on spending in this debate.

The reason we have a \$14 trillion debt is because no matter how much money Washington has, it always spends more; and the only way to cure the problem is to stop enabling it. Americans get it, and I want to thank every American who has spoken out in favor of cut, cap, and balance. Today, the American people will know where we stand.

A vote to table this bill is a vote to ignore this crisis even longer. A vote to get on this bill is a vote for getting our house in order.

I urge my Democratic colleagues one more time to reconsider their position. Join us in support of a future we can afford.

Mr. President, I yield the floor.

The PRESIDING OFFICER. The majority leader.

Mr. REID. Mr. President, I say to all my friends, and new Senators, welcome to the United States.

This is a vote on the piece of legislation that was described by my friend, the chairman of the Judiciary, as well as anyone else: It is violative of our Constitution.

This is a vote on this matter, and we are going to dispose of this legislation as it needs to be so President Obama and the Speaker can move forward on a matter that will have some revenue in it and send it over here, and we can move forward to complete our work to make sure we don't default on our debt.

As a result of our conversation here, I move to table the motion to proceed to H.R. 2560 and ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The question is on agreeing to the motion.

The clerk will call the roll.

The legislative clerk called the roll.

Mr. DURBIN. I announce that the Senator from New York (Mrs. GILLIBRAND) and the Senator from Massachusetts (Mr. KERRY) are necessarily absent.

Mr. KYL. The following Senator is necessarily absent: the Senator from Arizona (Mr. MCCAIN).

The PRESIDING OFFICER. Are there any other Senators in the Chamber desiring to vote?

The result was announced—yeas 51, nays 46, as follows:

[Rollcall Vote No. 116 Leg.]

YEAS—51

Akaka	Feinstein	Menendez
Baucus	Franken	Merkley
Begich	Hagan	Mikulski
Bennet	Harkin	Murray
Bingaman	Inouye	Nelson (NE)
Blumenthal	Johnson (SD)	Nelson (FL)
Boxer	Klobuchar	Pryor
Brown (OH)	Kohl	Reed
Cantwell	Landrieu	Reid
Cardin	Lautenberg	Rockefeller
Carper	Leahy	Sanders
Casey	Levin	Schumer
Conrad	Lieberman	Shaheen
Coons	Manchin	Stabenow
Durbin	McCaskill	Tester

Udall (CO)
Udall (NM)

Warner
Webb

Whitehouse
Wyden

NAYS—46

Alexander
Ayotte
Barrasso
Blunt
Boozman
Brown (MA)
Burr
Chambliss
Coats
Coburn
Cochran
Collins
Corker
Cornyn
Crapo
DeMint

Enzi
Graham
Grassley
Hatch
Heller
Hoeven
Hutchison
Inhofe
Isakson
Johanns
Johnson (WI)
Kirk
Kyl
Lee
Lugar
McConnell

Moran
Murkowski
Paul
Portman
Risch
Roberts
Rubio
Sessions
Shelby
Snowe
Thune
Toomey
Vitter
Wicker

NOT VOTING—3

Gillibrand

Kerry

McCain

The motion was agreed to.

• **Mr. KERRY.** Mr. President, I was necessarily absent for the vote on the motion to table the motion to proceed to the Cut, Cap, and Balance Act, H.R. 2560. If I were able to attend today's session, I would have supported the motion to table the motion to proceed to the Cut, Cap, and Balance Act, H.R. 2560.●

• **Mr. MCCAIN.** Mr. President, I regret that due to my attendance at a dear friend's funeral this morning, I was not in the Senate to cast my vote for the cut, cap and balance legislation. I fully support cut, cap and balance and I am proud that Republicans put forward a concrete proposal to cut spending, balance the budget, reign in the spiraling debt that imperils our children's future and ensures that our Nation continues to meet its obligations.

The Democratic leadership has failed to put forward any meaningful proposal to break this impasse, but instead continues to set up procedural road blocks to keep Republican plans from passing and force votes on non-binding legislation that will do nothing to solve our problems. The Democrats, led by President Obama, continue to insist that our fiscal difficulties can be fixed by raising taxes on individuals and small businesses—the exact policies that will deepen our economic woes, not fix them.

Both parties must now find a reasonable, responsible path forward to address head-on our debt crisis, end the mortgaging of our children's future and make certain that our Nation meets its debt obligations, as we Americans always have. If Speaker Tip O'Neill and President Ronald Regan could find agreement on such matters, we can too. We must put politics aside and do what is right for our Nation.●

• **Mrs. GILLIBRAND.** Mr. President, no one disputes that we must act now to reduce our growing debt. The interest we pay on our debt costs us dearly in lost opportunity to invest in America. We spend millions of dollars a year paying interest to countries, like China, that we should be investing here in America to create jobs and get our economy moving again. At the same time, it is essential that we do not, for the first time in history, fail to pay our obligations and default on our debt.

Doing so will only make our economic and debt challenges more difficult, and could make it almost impossible to turn our economy around.

Unfortunately, I think this legislation is shortsighted and mistaken. It neither guarantees that the United States will not default on its obligations, nor does it provide a balanced blueprint to addressing our long-term budget obligations. Instead, it would constitutionally protect tax breaks for millionaires and special interest while forcing benefit cuts to Social Security and Medicare beyond those proposed in the House Republican budget.

This legislation also distracts from making the hard choices we need to make to reduce the deficit and at the same time create jobs and grow our economy. The legislation makes it almost impossible to increase revenues, even on the millionaires and billionaires who are doing just fine in this economy. It also fails to reduce Pentagon spending, which accounts for more than half of our discretionary spending budget, forcing more pain on families, seniors and other hard-working Americans.

We must address our budget challenges, but we cannot do so on the backs of our seniors and working families. For these reasons, I am opposed to this legislation, and while I was ill and could not vote, I would like the record to show that I would have voted to table the motion to proceed on HR 2560, the Cut, Cap and Balance Act. I am strongly opposed to this legislation.●

MORNING BUSINESS

Mr. REID. Mr. President, I ask unanimous consent that the Senate proceed to a period of morning business until 2 p.m. today, with Senators permitted to speak during that time for up to 10 minutes each.

The **PRESIDING OFFICER.** Is there objection? Without objection, it is so ordered.

SCHEDULE

Mr. REID. Mr. President, there will be no further rollcall votes this week. The next vote will be on Monday at approximately 5:30 p.m. I will give a scheduling update later after I confer with the Republican leader.

I note the absence of a quorum.

The **PRESIDING OFFICER.** The clerk will call the roll.

The legislative clerk proceeded to call the roll.

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

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

MOVING FORWARD

Mr. REID. Mr. President, the Senate just conducted a very important vote. We have now demonstrated that the

House Republicans' cut, cap, and balance bill is over, done, and dead. This was a necessary step, and this step now allows the process to move forward.

Let me take a moment to discuss where we go from here.

Earlier this week, the Republican leader and I were working together on a path to avert insolvency. It was a fallback plan. It was the second choice for everyone, including me, and the Republican leader I am sure. But earlier this week, it looked as though we needed to go to that fallback plan as soon as possible. Thus, earlier this week, it looked as though the Senate would have to originate that legislation, perhaps as soon as today, to avoid default.

During the course of the week, however, circumstances have changed. The Speaker and the President have been working diligently together to reach an agreement on a major deficit-reduction measure. As I said earlier this morning, I wish them both very well. That is very important to our country.

The product on which they are working would address, I understand, both taxes and spending. Under the Constitution, the House of Representatives must originate all revenue measures. Therefore, the path to avert default now runs first through the House of Representatives—that is what the Constitution demands—and we in the Senate must wait for them. Therefore, the Senate does not need to originate legislation today.

Earlier this week, I had announced the Senate would need to be in session this weekend. But based on these changed circumstances—and they change fairly rapidly—that is no longer the case.

So at the close of business today, the Senate will be out until Monday. Over the weekend, of course, there will be all kinds of meetings going on, and I will do my best to monitor closely the talks between the President and the Speaker, and I will await word of their hoped-for success.

We will be back on Monday. The Senate will have at least one vote Monday evening, and the Senate will wait anxiously for the House of Representatives to send us their work product so we can later next week pass legislation to prevent a default in our great country.

I am going to consider moving other legislation in case that does not work in the House of Representatives. I received a letter from Senators today as to some suggestions they have. There is a meeting that is going to take place at 11 o'clock today with the Gang of 6. The Republican leader and I will be in on that meeting. We are doing our very best to keep all Senators, Democrats and Republicans, on top of what is going on. But, frankly, in fairness to the Republican leader and to me, a lot of what is going on we don't know. So we are, because of the negotiations—at least I am speaking for myself; I can't speak for the Republican leader, but I have not been in the day-to-day negotiations as to what is going on between the President and the Speaker.