

We also know from Northern Illinois University, as well as from the tragedies at Virginia Tech and Tucson, that we need to fill the gaps in the Federal gun background check system.

No one is proposing to take guns away from responsible American hunters and law-abiding citizens. The Supreme Court has made it clear that individuals have a right to own guns. I respect that decision. But the Court has also said that the second amendment is "not a right to keep and carry any weapon whatsoever in any manner whatsoever and for whatever purpose."

For years, laws on the books have prohibited those with histories of serious mental illness and substance abuse from buying guns. State agencies and Federal agencies need to work more closely together to make sure the background check system is fully updated with this critical information.

Today is a time for our country to remember the lives and mourn the loss at Northern Illinois University of five promising young Americans whose life stories were cruelly cut short 3 years ago. But as we look back, we must also—as they say at Northern; their slogan—move "Forward, Together Forward" in the true Northern Illinois University spirit.

Mr. President, I yield the floor and suggest the absence of a quorum.

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

The bill clerk proceeded to call the roll.

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 President, I ask unanimous consent that the order for the quorum call be rescinded.

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

Mr. ROCKEFELLER. Mr. President, might I ask, what is the pending business?

RESERVATION OF LEADER TIME

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

FAA AIR TRANSPORTATION MODERNIZATION AND SAFETY IMPROVEMENT ACT

The ACTING PRESIDENT pro tempore. Under the previous order, the Senate will resume consideration of S. 223, which the clerk will report.

The bill clerk read as follows:

A bill (S. 223) to modernize the air traffic control system, improve the safety, reliability, and availability of transportation by air in the United States, provide for modernization of the air traffic control system, reauthorize the Federal Aviation Administration, and for other purposes.

Pending:

Wicker modified amendment No. 14, to exclude employees of the Transportation Security Administration from the collective bargaining rights of Federal employees and provide employment rights and an employee engagement mechanism for passenger and property screeners.

Blunt amendment No. 5, to require the Under Secretary of Transportation for Security to approve applications from airports to authorize passenger and property screening to be carried out by a qualified private screening company.

Paul amendment No. 21, to reduce the total amount authorized to be appropriated for the Federal Aviation Administration for fiscal year 2011 to the total amount authorized to be appropriated for the administration for fiscal year 2008.

Rockefeller (for Wyden) amendment No. 27, to increase the number of test sites in the National Airspace System used for unmanned aerial vehicles and to require one of those test sites to include a significant portion of public lands.

Inhofe amendment No. 6, to provide liability protection to volunteer pilot nonprofit organizations that fly for public benefit and to the pilots and staff of such nonprofit organizations.

Inhofe amendment No. 7, to require the Administrator of the Federal Aviation Administration to initiate a new rulemaking proceeding with respect to the flight time limitations and rest requirements for supplemental operations before any of such limitations or requirements be altered.

Rockefeller (for Ensign) amendment No. 32, to improve provisions relating to certification and flight standards for military remotely piloted aerial systems in the National Airspace System.

McCain amendment No. 4, to repeal the Essential Air Service Program.

Rockefeller (for Leahy) amendment No. 50, to amend title 1 of the Omnibus Crime Control and Safe Streets Act of 1968 to include nonprofit and volunteer ground and air ambulance crew members and first responders for certain benefits and to clarify the liability protection for volunteer pilots that fly for public benefit.

Reid amendment No. 54, to allow airports that receive airport improvement grants for the purchase of land to lease the land and develop the land in a manner compatible with noise buffering purposes.

Reid amendment No. 55, to require the Secretary of the Interior to convey certain Federal land to the city of Mesquite, NV.

Udall (NM)/Bingaman amendment No. 49, to authorize Dona Ana County, NM, to exchange certain land conveyed to the county for airport purposes.

Udall (NM) amendment No. 51, to require that all advanced imaging technology used as a primary screening method for passengers be equipped with automatic target recognition software.

Nelson (NE) amendment No. 58, to impose a criminal penalty for unauthorized recording or distribution of images produced using advanced imaging technology during screenings of individuals at airports and upon entry to Federal buildings.

Paul amendment No. 18, to strike the provisions relating to clarifying a memorandum of understanding between the Federal Aviation Administration and the Occupational Safety and Health Administration.

Mr. ROCKEFELLER. Mr. President, my cochair, Senator HUTCHISON, is on the floor, and I know she wishes to speak.

It occurs to me we are back on the Federal aviation bill. We have been on this bill for several years. There is an interesting sort of dilemma which has developed. If one listens to the conversation on the floor and around in the hallways, everything has to do with slots—how many flights in and out of National Airport, what are we

going to do about the west coast, Seattle, and all the rest of them. Actually, that is a very small part of the overall bill, reflecting on the overall health and progress of the Federal Aviation Administration, compared to things such as NextGen, the new air traffic control system entirely, and a variety of other things which are already in the bill which the Senate passed last year 93 to nothing. So I am losing my patience a little bit with slots.

KAY BAILEY HUTCHISON and I agree on most things in our work, and we have an amendment. Other people seem to be going back and forth—they are amenable, then they are not amenable—and we are running out of time. I think the leader, with that in mind, is going to ask for cloture on this to sort of force everybody's hand.

What I am really suggesting is that those who are working on slots try to come to an agreement during the course of the rest of this day because I think we are talking only about that, and perhaps a little bit of tomorrow morning. Then I think the Senate just kind of—and I know the leader on our side—has to do the bill. We have been debating these slots for 6½ months this year. We did it for a whole bunch of months last year. Progress is made, progress is unmade; people agree, people don't agree. Senator HUTCHISON and I are getting a little bit frustrated by that. We think we have a good amendment, but let's see.

So we have some pending amendments. I am hopeful we will be able to work through them this evening and the remainder of the week. I think we have made reasonable progress on some matters, but on the question of the bill itself and the substance of the bill and those amendments which are germane to the substance of the bill, I think we have made a lot of progress. A lot of that progress actually comes from last year on our unanimous vote to approve this issue. So I believe we can and must finish this bill this week. I think my cochair agrees with me on that. If not, we risk further extensions of the FAA and a less stable agency.

Again, I would point out that I think we are on our 18th extension of this massive bill keep all of our planes in the air and everybody at work and includes safety and all kinds of things. We need a very swift resolution. So I urge the Senate to promptly move forward on the passage of the FAA reauthorization act.

I yield the floor.

The ACTING PRESIDENT pro tempore. The Senator from Texas.

Mrs. HUTCHISON. Mr. President, I am fully in support of what the chairman has said. We have been on this bill now for over a week of actual Senate time. It is an important bill for our country because we are trying to set in place the next generation of air traffic control. America has over 50 percent of the air traffic in the world. We need to be the leader of the next generation of

air traffic control systems. We are trying to transfer from the ground-based radar system to a satellite-based system. It will be more efficient. It will open many more opportunities for airspace. We need to be able to move forward so that more planes can use the airspace we have. Yet we are finding a reluctance to vote on amendments. There are several amendments that are pending. We need to have votes on those amendments. There are safety measures; there are consumer protection measures in this bill.

The chairman and I have worked together on making progress because we both want to pass this bill. It is a good bill. The sticking point is the slots at Reagan National Airport. Honestly, the chairman's staff and my staff have worked with all of the affected airlines and States and constituents to try to come to a fair opening of Washington National Airport to people who live west of St. Louis, MO. Basically, west of St. Louis, there are very few straight flights from Washington National. Most of them have to stop. So we are trying to gradually add to the capabilities for people who live out West to come into Washington National Airport, but we are also trying to keep the people who live around the airport from having undue noise or undue traffic or congestion at the airport. So we are trying to come up with a fair system. But, to be honest, the sides are not giving. There is a western Senator position. There is a Virginia Senator position. There is a far-Alaska, far-west position. And nobody is giving an inch. Well, it is kind of hard to negotiate when you keep putting things out there, which the chairman and I are doing, and we get no response but "I want everything my way." Well, "everything my way" is not going to work.

We are facing a deadline now where possibly we won't be able to get a vote. I think that would be very bad for the western half of the United States because I think they are being unfairly kept out of access to the convenience of the airport to the Capitol and to downtown Washington. So I hope the sides will meet and come together with something that accommodates all of the needs and concerns, and I hope we can pass this bill this week. I think both the majority leader and the Republican leader are in support of the bill going forward. So we need to get our amendments up, get them voted on, and let's try to make progress.

Thank you, Mr. President. I yield the floor.

The ACTING PRESIDENT pro tempore. The Senator from West Virginia.

Mr. ROCKEFELLER. Mr. President, let me add to what my distinguished colleague said. People who are working on slot amendments should remember that in the bill that was passed and therefore the pending legislation, S. 233, there are no slot amendments. So they have to be under the discipline of understanding that slot amendments

at this point are nongermane, and that will change as circumstances change in the next day or they won't.

At this point, with the indulgence of Senator HUTCHISON, I know Senator MURKOWSKI from Alaska is going to give a speech, with whom I know I am going to fully agree.

The ACTING PRESIDENT pro tempore. The Senator from Alaska.

Ms. MURKOWSKI. Mr. President, I wish to acknowledge the chairman and the ranking member on the Commerce Committee. I know they have been working diligently throughout this process not only with this particular reauthorization, but they have been great leaders on this issue over the years, and I appreciate that. We are working on some difficult issues, some contentious issues, including the issue of the slots which the chairman just discussed. It is one that is critically important to a person such as myself who represents the farthest of the West, along with Hawaii, so we look at how we are able to gain access through our airways and to travel. So the issues in front of us are incredibly important, but I don't want to speak to the issue of the perimeter slots today.

I wish to address an amendment that was raised exactly a week ago by my colleague from Arizona, and this is regarding the importance of the Essential Air Service to my State of Alaska. I think the Members of this body have heard very often not only from myself but from Senator BEGICH and, prior to the two of us, the Alaskan Senators who for years stood on this floor and said: Alaska is different.

When we are talking about the Essential Air Service and what it allows and what it provides, I repeat, Alaska is different. It is unique from anywhere in the lower 48, and the necessity to maintain the Essential Air Service is yet one more example.

It was last week that the Senator from Arizona referred to a figure from the FAA that stated "99.95 percent of all Americans live within 120 miles of a public airport that has more than 10,000 takeoffs and landings annually." That statement clearly does not refer to Alaska.

When the Essential Air Service was created in 1978, after the airline industry was deregulated, Congress correctly determined that air carriers that supported our rural locations would need a financial subsidy to ensure their passengers could receive not only a price but quantity of flights and quality of service that was necessary to provide for effective transportation and movement of goods.

At the creation of the EAS Program, nearly every community in the State of Alaska was affected by the deregulation of the airlines industry. There were about 130 communities that were put on that list in 1978. Today we have 44 communities in Alaska that are receiving EAS.

Let me tell you some things about Alaska that do make it unique, and

when we refer to Essential Air Service one can see that title is actually a very apt description of what is provided in my State.

I have a map of the State of Alaska. The red lines that look like little arteries represent our road system. We have just short of 11,000 miles of a road system in the State of Alaska. I said that seems like a lot of roads. To put it in context, California has 2.3 million miles of roads.

Our road system is one—if you look at it—that is up and down. We do not have much in southeastern Alaska. We do not have a thing along the Aleutian chain. We do not have anything in the southwestern and northern part of Alaska. We have just a few roads around the Seward Peninsula. Eighty percent of communities in the State of Alaska are not connected by a road. How do you get there? If you happen to be in the southeast, you get there by boat.

The bottom line is we fly. This is not a luxury; this is a necessity. We have to fly. We are the most flown State in the country. About 80 percent of our communities are nonaccessible by road while in the rest of the country, if you want to get in your car, if you have an emergency, you need to get to the hospital, you hop in and drive. If you want to go for a spring break, you get in your car and drive 4 or 5 hours and you are at the beach. If you want to get somewhere—anywhere—you pretty much have an opportunity to do so.

We do not have that opportunity in Alaska. Given what we face with a limited road system—the weather and terrain issues—we in the State of Alaska treat airplanes or helicopters like most Americans would treat their minivan. Aircraft in Alaska are not just a nice thing to have. They are a lifeline for survival, for subsistence, for travel, for recreation. They are truly an essential part of our everyday lives.

The city administrator of Atka—Atka is all the way at the end of the Aleutian Islands—the city administrator of Atka, Julie Dirks, sent a letter to the Alaska delegation explaining how the loss of EAS subsidies would negatively impact the city of Atka and other rural communities in the State. In the letter, she writes:

Loss of this program would be devastating to remote rural communities such as Atka and others in our region. Atka is not on a road system connecting the communities to other places nor is there any type of marine ferry service connecting Atka to other islands or mainland Alaska.

Even though there is a lot of water out there, you cannot get there by boat.

Air transportation presently is the only method available providing access in and out of Atka. Costs of service are already high even with the subsidy. Without the subsidy service would be too expensive or even nonexistent.

I ask unanimous consent to have printed the letter from the city administrator of Atka.

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

FEBRUARY 7, 2011.

Re Essential Air Service Program.

Alaska Delegation,
Senator MARK BEGICH,
Senator LISA MURKOWSKI,
Congressman DON YOUNG,
Washington, DC.

It is my understanding Senator John McCain has introduced legislation to the FAA Reauthorization Bill that, if passed, would repeal the Essential Air Services Program. I am writing on behalf of the remote Aleutian community of Atka, Alaska to protest the elimination of the program.

Without the federal government subsidy provided by the Essential Air Service program remote communities in Alaska like Atka are unlikely to have any air service at all and could cease to exist. Regular scheduled transportation service is important to the sustainability of the community and to support economic activity of the local seafood processing plant owned jointly by local residents and the regional CDQ organization.

Loss of this program would be devastating to remote rural communities such as Atka and others in our region. Atka is not on a road system connecting the communities to other places nor is there any type of marine ferry service connecting Atka to other islands or mainland Alaska. Air transportation presently is the only method available providing access in and out of Atka. Costs of service are already high even with the subsidy. Without the subsidy service would be too expensive or even non-existent.

Your efforts to keep this important program funded will be appreciated by Atka residents.

Sincerely,

JULIE DIRKS,
City Administrator.

Ms. MURKOWSKI. Mr. President, we have 44 communities in the State of Alaska that receive an EAS subsidy. Thirty eight of those communities are not connected in any way to this road system so they are forced to use air travel as their primary means of travel. Then one has to say: OK, that means you have six that are on a road. Why can't they use the road? Why do we have to provide EAS for these six communities?

Let's look at some of these communities. McCarthy does not have any road maintenance during the winter months. Pretty much between October and April we are looking at a situation where this community is shut off. That means no mail. That means no emergency services. That means no ability to get food supplies. They basically have to wait it out until the road thaws in the spring. If we do not have air service in a community such as McCarthy, even though there is technically a road, for about 7 months they are without.

Another of the communities, Gulkana, is on a two-lane paved road, but it is over 210 miles to the nearest medium-hub airport. The other four communities, which are Circle, Central, Minto, and Manley Hot Springs, are all located on two-lane gravel roads. They require driving distances of at least 125 miles to the nearest hub airport.

Again, we need to remember what kind of roads they are driving on. This is not like jumping on to I-95 or I-10. These are, for the most part, single-lane roads during most of the year. They are snow covered, with limited visibility. They have tough temperatures they are dealing with in the interior. It is pretty dark during this time of year. It is not a road about which one says: Let's drive to town.

It has been noted by some of the opponents of the Essential Air Service Program that the spending in Alaska is just out of whack, that it is too much. Let's look at the facts as they relate to Alaska.

There are currently 153 communities that are receiving subsidies, according to the USDOT. The Department of Transportation says there are 44 communities in Alaska and 109 communities combined for the lower 48, Hawaii, and Puerto Rico. Critics say it looks as if Alaska has almost half as many EAS communities as the rest of the United States.

OK, that may be true. We will grant that. But what they ignore, what they forget is how we compare in Alaska in conjunction with the rest of the country. I know people get tired of looking at these maps about how big we are. The fact is, we do not make this up. We do not just superimpose Alaska on a map of the country and say: Isn't this a nice shape? We put it on the map of the lower 48 States to show the size. We are not that little State that is down in the water next to Hawaii or off California, despite some of the maps that are still out there on people's walls. We are this big.

We have over 47,000 miles of shoreline, going all the way out to the Aleutians and coming all the way up—47,000 miles, more than all of the other 49 States combined. We cover an area of over 586,000 miles. We go from California to Florida, beyond the Great Lakes and into Canada.

The comment was made that if I want to go from Adak, which is one of the EAS communities, to Anchorage, which is the largest city in our State, it is a \$1,400 round-trip airfare—with EAS subsidies, I might add. But it is almost 1,200 miles. That just gets you from Adak into Anchorage. It does not get you down to the rest of the lower 48.

Put that in context and that is like going from Kansas City to Boston where, I might add, their round-trip airfare is \$571. It helps to put things in context when people are saying that Alaska is getting too much of a share of this program. Monetarily, Alaska gets about \$12.6 million in EAS subsidies. The rest of the Nation gets over \$163 million in EAS subsidies. In Alaska, we have over 700 registered airports, 1,200 airstrips, and over 10,000 registered aircraft.

When we look at how our 44 communities that receive the subsidies receive less than 10 percent of the subsidies of the lower 48, to suggest somehow they

are getting something that is not equitable, again, is important to put into context. There are no roads to most of these communities.

It was commented by my colleague from Arizona that there was a 2009 GAO report on the Essential Air Service Program. It was indicated that the GAO thought the Essential Air Service Program might have outlived its usefulness. But there is a section of that report that was left out. I think it is important to note that the writers of that report stated:

[The] review focuses on communities within the continental United States that have received EAS subsidized service. We focused our review on these communities because the requirements for communities in Alaska are different than for communities in other States, and airports outside the contiguous States are not representative of the program in the rest of the country.

It is critically important that we look to what that full GAO report said and how it recognized that the circumstances in Alaska are entirely different and are not representative of what we see in the lower 48.

When we look to that GAO report, we need to put that into context again. Another thing that must be kept in mind when we are talking about Essential Air Service is that—what we are all talking about on the Senate floor—is jobs, what is going on with jobs. The number of jobs that would be lost, the economic impact that would result from the repeal of this program in Alaska would be consequential.

Aviation in our State provides \$3.5 billion to the economy. It represents 8 percent of the gross State product. It is the fifth largest employer in the State, employing about 10 percent of our total workforce. And it is not just the jobs that would be lost, these folks who handle and sort the mail, load the packages into the aircraft would likely lose their jobs. The commercial fishermen, the workers at the fish processing plants would be impacted. Emergency medical professionals, the tourist industry, recreational professionals—they would all feel the negative impact of the repeal of EAS in Alaska. All of these vital industries and services are connected to the everyday Alaskan by one common thread, and that is aviation.

Many of us look forward to the wild fresh salmon that comes out of the Copper River in May. That comes from a community in Prince William Sound, Cordova. Mr. President, 2,200 people live there. They receive Essential Air Service. The fact that they are able to fly into this community that does not have access to a road allows those fishermen to receive a price for their product that maintains and sustains them. The repeal of EAS means hundreds of my constituents would be forced to purchase expensive airline tickets just so they would have access to the most basic and yet very essential things.

Kodiak Island is the recipient of a lot of our EAS communities. Island Air is an airline that services these 12 communities. Eleven of these communities

are served by float planes because there is no runway. So we don't even have the basic runway. You are flying in on a seaplane. Two of the communities Island Air supports are Karluk and Alitak. Round-trip airfare from Karluk to Kodiak, which is sitting right in here, is \$254 a person, to Alitak it is \$346 a person. Flights to these locations occur only three times a week. So if you are going to fly into Kodiak, you have to assume you are going to have a couple nights of hotel costs—lodging expenses—so this brings the price of your trip to about over \$500. But if the EAS Program is repealed, the cost per person to get to these locations jumps to over \$1,800, and that is just to get from the little village to Kodiak. This is not getting you to Anchorage, where you can get medical services. It is not getting you to where you can get to the shopping you and your family might need. These expenses are also just for the airfare and not for the lodging. It doesn't allow for the purchase of supplies, mail, tourism or any of the other activities that members and visitors to these communities might engage in. So I think it is fair to say if we repeal EAS, Island Air will no longer be able to serve these communities. They would be forced to lay off their employees. But you don't have service to these areas.

I can't speak for every location in the United States that receives funding from EAS and tell you how each would be impacted by the McCain amendment, but I can say, without any reservation, that this amendment would create an economic and a transportation disaster for Alaska, including the loss of jobs, livelihoods, and would potentially impact health and medical situations. The complete elimination of the EAS Program could destabilize many of our rural communities, could negatively impact the integrity of Alaska's interconnected aviation system, and severely reduce air services to essential parts of the State. EAS has been and will continue to be a critical and instrumental component of Alaska's aviation transportation system network, while providing important jobs and allowing necessary and critical access to rural and isolated communities within our State and across the Nation.

I have consumed the time I was allotted this morning, but I cannot repeat enough, I cannot reiterate enough the importance of a program such as Essential Air Service to a remote and rural State such as Alaska. It truly is essential. When this amendment comes before the body, I would urge defeat of the McCain amendment.

With that, I yield the floor.

The ACTING PRESIDENT pro tempore. The Senator from West Virginia.

Mr. ROCKEFELLER. Mr. President, I am only going to comment for a minute, but what the Senator from Alaska has just said is completely true. It also points out the overall philosophical question of what are we doing

with this bill: Are we going to pass it or fight over all these slots? I am for passing the bill and leaving slots for conference or whatever, unless we can work something out. Nobody wants to agree. Everybody thinks they have the leverage. Maybe they do, maybe they do not. But in the meantime, this bill, which has been languishing for all these months, in fact, solves one of the problems of Alaska in its entirety because of the NextGen system, which I have been talking about—and which I could talk about more but not today—which is a global satellite network. It will provide the safety and capacity that is needed for safe flight in tricky weather, where weather changes very quickly, and, in fact, it is now in place in Alaska.

So that doesn't, in any way, take away from the Essential Air Service problems which the Senator from Alaska is talking about. I totally agree with her on that. But it just shows that if we hold up this bill and make ourselves slaves to working out slots agreements, which probably can't be worked out on this floor—maybe they can, I hope so, but I doubt it—we are depriving her State and others—but hers in particular since hers is a test State which has this system in place because of the changing weather, because of the unpredictability of virtually everything when you are flying. It is in effect there and in four other States. We are trying to get it to all States. This will change the whole future of aviation.

With that, I yield the floor.

The ACTING PRESIDENT pro tempore. The Senator from Utah.

THE PRESIDENT'S BUDGET

Mr. HATCH. Mr. President, today, the President released his budget for fiscal year 2012. If this is his idea of a Valentine's gift to America and to the American people, he has an odd way of showing his affection. It is the equivalent of taking your fiancée to dinner, asking her to marry you, and then leaving her to take care of the check, your maxed out credit cards, your underwater mortgage, and the bill for the ring.

This budget is, quite simply, an abdication of adult responsibility, and it is a particular abdication of the responsibility of the President of the United States, who takes an oath to protect and defend our Constitution. Our economy is dealing with the hangover from the 2008 economic collapse, the greatest fiscal crisis I have seen and that we have seen in several generations. Our recovery has been sluggish, and it is not being helped by this administration's regulatory overload and ObamaCare, which is set to kill 800,000 jobs.

We can already see a still larger crisis approaching. This is nothing short of an existential challenge. Continued deficits and accumulated debt are a genuine threat to individual liberty, continued prosperity, and national security. Absent immediate action—and

let me stress this needs to be immediate action—we face a future where our union is not more perfect and where government will stand in the way of enterprising businesses and citizens whose only wish is the opportunity to thrive. Yet the President's response to this impending disaster is to vote present. His response is to pass the buck.

With due respect, the budget released today is a sorry joke. I would hate to be the White House staffers forced to spin this budget as a step in the right direction. The United States is demanding a "Churchill" on the issue of deficits and debt, but the administration has delivered us a "Chamberlain."

Let me break this down. The administration is going to reduce the deficit by \$1.1 trillion over 10 years. That sounds like a mighty big number, and I am sure the White House has some consultants who have told them the American people can be duped into thinking this represents meaningful deficit reduction or change. Let me be clear. This is not meaningful deficit reduction. The administration wants to reduce the deficit by \$1.1 trillion over 10 years. What does the administration project the deficit to be for this fiscal year—\$1.65 trillion. At 10.9 percent of the gross domestic product, this is the largest deficit as a share of the economy since World War II. Unbelievable.

But it is consistent with the way Democrats have behaved since taking over Washington. In 2010, the deficit was \$1.3 trillion and in 2009 \$1.4 trillion. So let us put this in perspective. The administration is out there touting today its fiscal responsibility. Yet its 10-year total deficit reduction is smaller than this year's deficit.

The President's much touted 5-year freeze on discretionary spending, which will save \$400 billion, is smaller than the Congressional Budget Office's recent upward revision of the 2011 deficit. Spinning this budget as the fiscally responsible thing to do betrays a profound lack of respect for the intelligence of the American citizens.

This budget contains \$53 billion for construction of high-speed rail in Florida, California, and several other States. If there is a bigger government boondoggle out there, I am not aware of it. But the Vice President, in promoting this spending spree, tells Americans they need to get a grip. With due respect, the American people's grip on the situation is fine. They understand something that apparently has eluded the best and brightest over on Pennsylvania Avenue—we are out of money.

The well that has been financing the New Deal, and the New Frontier, and the Great Society, and the stimulus, and ObamaCare has finally run dry. It is past time that we stop playing politics with the deficit and debt and make the tough choices necessary to put America's finances back on solid ground. Yet there is no effort in this budget to take care of our long-term fiscal problems—none at all.

Not even the Washington Post is able to spin this one. This is a \$3.7 trillion budget. What is the future of our deficit and debt? This is what the Post had to say. After next year, the deficit will begin to fall, “settling around \$600 billion a year through 2018, when it would once again begin to climb as a growing number of retirees tapped into Social Security and Medicare.”

The new normal under this budget is one of permanent budget deficits, long after President Obama has returned to private life. He will be out working on his Presidential library while Americans are left holding the bag for his big spending policies. He may not want to admit it, but the most fitting volume for his Presidential library might be “The Road to Serfdom.”

How exactly does the administration propose to pay for Social Security and Medicare and national defense under this budget? The bottom line: It doesn't. This budget amounts to gross negligence. Even the progressive blogger, Ezra Klein, concludes that when reading this budget, it is almost like the fiscal commission never happened.

Remember that? The President's fiscal commission? It issued a report recommending over \$4 trillion in cuts, including adjustments to entitlements. It offered controversial but appropriately bold proposals to get our Nation back on track. The President and his team looked at those proposals and bravely decided to leave this problem to the next administration and future generations.

Clearly, I am not a fan. But there is one useful item to consider in this budget. It is what progressives might call a teachable moment.

To achieve these paltry deficit reduction numbers, the administration had to resort to massive tax increases.

As the Post concludes, the tax hikes in this bill will be around \$1.6 trillion over 10 years.

Here is the point that people need to be reminded of.

Even with possibly more than \$1.6 trillion in job killing tax increases in this budget, it still comes nowhere close to reining in our deficits and debt.

For years we have heard Democrats say that if the rich people and businesses paid their fair share in taxes, we could balance the budget and reduce the debt.

Well, they sure tested it out in this budget.

They soak the so-called rich and American business with a fire hose, and yet we are still facing trillions in debt and hundreds of billions in deficits.

After the much maligned Bush tax cuts expire and undermine small business job creation, according to the President's own numbers we will still have to borrow an additional \$7.2 trillion through 2021 to pay the bills that are coming due from the Obama administration's spending policies.

This budget should be a turning point in our debate about deficit and debt reduction.

Tax increases simply cannot get us there.

Unfortunately, the message that tax increases lead to deficit reduction is the Democrats' good word.

Over the past decade, I have participated in many discussions about spending and tax policy.

As my colleague from Iowa, Senator GRASSLEY, has noted, Democrats basically have two talking points.

First, all of the good fiscal history of the 1990s was derived from the partisan tax increase bill of 1993.

And second, all of the bad fiscal history taking place within the past 10 years is owing to the bipartisan tax relief plans originally enacted during the last administration and continued under the present administration.

The Democrats' platform does have the virtue of simplicity: higher taxes—good; lower taxes—bad.

This record needs to be corrected. Regular viewers of C-SPAN 2 have probably heard others on my side do so before.

But it bears repeating, particularly in light of today's budget, that higher taxes will not right our fiscal ship.

The myth that higher taxes lead to lower deficits is a persistent one.

This is the mainstream account of the Clinton tax hikes.

According to this theory, the positive fiscal history of the 1990s resulted from the 1993 tax increases.

It is a simple enough argument.

According to the other side, by raising taxes and taking more money out of the economy, the government successfully reduced the deficit.

Yet, as you can see from this chart, the Clinton administration's own Office of Management and Budget concluded that the 1993 tax increase accounted for only 13 percent of deficit reduction between 1990 and 2000.

As a percentage of deficit reduction, the 1993 tax increase ranks behind other factors such as defense cuts—and interest savings.

The message here is simple.

Tax increases did not drive deficit reduction.

It may seem counterintuitive, but raising taxes does not necessarily mean that revenues collected by the government, as a percentage of GDP, will increase.

Consider this chart, which compares changes in Federal revenues as a percentage of GDP for two key 4-year periods. Each of these 4-year periods was preceded by a major tax policy change.

The first 4-year period occurred after the 1993 tax increase was enacted.

The second 4-year period occurred after the Jobs and Growth Tax Relief Reconciliation Act of 2003 was enacted.

The Jobs and Growth Reconciliation Act was the second of the major tax relief bills enacted during the last administration. It featured reductions on tax rates of capital gains and dividends.

Let's take a look at the first of those 4-year periods in each case.

One year after the 1993 hike, we do see increased revenues.

One year after the 2003 tax cut, revenues drop.

But take a look at the second through fourth years following the adoption of each bill.

You will see that the trend of the first year reverses itself in the second year after the tax hike.

As the policies in both bills had time to take effect, the revenue patterns are clear. The positive change in revenue was generally greater after the tax cut bill than it was after the tax increase bill.

There is no doubt that our deficits are a serious issue. They threaten the future of our Nation. It is irresponsible, however, to say that our dire fiscal situation is the result of the government not extracting enough money from the people who actually earn it.

The President's budget, with its massive new tax increases and permanent deficits, demonstrates yet again that our problem is spending.

Our budget deficits are being driven by spending.

Spending has not grown arithmetically.

Spending has not grown geometrically.

Spending has grown exponentially.

Over the past few years, while Democrats exercised complete control over Washington, non-defense discretionary spending has grown by 24 percent. As I have said before, that figure does not even include the bloated stimulus bill, enacted in early 2009.

Yet these deficits continue to grow in spite of increased revenues.

On January 26, CBO published its Budget and Economic Outlook for Fiscal Years 2011 through 2021. I am going to quote from that report. By CBO's estimates, Federal revenues in 2011 will be \$123 billion—or 6 percent—more than total revenues recorded two years ago, in 2009.

This increase in Federal revenues for 2011 includes the net effect from a 1-year across-the-board reduction in payroll taxes.

The important fact here is that revenues have increased over the past 2 years, and the deficit has still increased. Our deficit and debt problems are not being driven by tax relief.

Despite this evidence, many of my friends on the other side still see raising taxes as the best and only solution.

They want to fund out-of-control spending by taking even more money from the people who actually earn it.

Proponents of this approach know that the confiscation of what has been lawfully earned can be a hard sell.

That is the reason they resort to clever rhetoric, telling us that paying taxes is inherently patriotic.

Or we hear talking points about some people not paying their fair share.

These sound bites might sound good to the base, but they are not grounded in reality.

CBO has published a booklet entitled “The Long-Term Budget Outlook.” In

its most recent version CBO confirmed that Federal revenues have fluctuated between 15 percent and 21 percent of GDP over the past 40 years, averaging about 18 percent.

Because of the recession, revenues dipped to around 15 percent recently. But that should not deceive us into thinking taxes are abnormally low. Using current-law assumptions, CBO projected revenues to reach 23 percent of GDP by 2035.

Arguably, those current-law assumptions are unrealistic, since they assumed the bipartisan tax relief enacted in 2001 and 2003 would expire along with relief from the alternative minimum tax, at the end of last year.

Yet CBO evaluated an alternative, more realistic, fiscal scenario. In that scenario, CBO assumed that most of the tax relief enacted in 2001 and 2003 would be extended through 2020. It still assumed that tax relief would expire for so-called high-income taxpayers. But CBO did anticipate that AMT relief would continue, along with other deviations from current law.

Even using this alternative fiscal scenario, CBO found that revenues as a percentage of GDP would increase to just over 19 percent in 2020 and stay at that level for several years.

That is to say, in this scenario, the level of taxation would still be above the 40-year historical average of about 18 percent of GDP.

I want to briefly return to the January CBO analysis that I referred to earlier.

That analysis, which assumes that most of the components of the tax package enacted at the end of 2010 will continue to be extended, along with the modified estate and gift provisions also in that same legislation, calculates that annual government revenues will steadily increase going forward, but will still average about 18 percent of GDP through 2021.

I have spent the past few minutes discussing CBO projections of various policy scenarios.

I am sure this presentation has made for some very gripping television.

But the point I am trying to convey is a critical one.

The fiscal reality is that taxes are not abnormally low.

Continuing current tax policy yields Federal revenues at about the historical average of GDP for the past 40 years.

Increasing taxes on anyone, even so called high-earners, will push government revenues above the 40 years' historical average, as a percentage of GDP.

I know there are many who would still support raising taxes above this historical level.

The President made clear today that he certainly does.

But it is important to heed the words of the CBO before we raise taxes.

In its Long-Term Budget Outlook, CBO had this to say about a scenario where the bipartisan tax relief of 2001

and 2003 expired, along with AMT relief.

According to CBO:

Marginal tax rates on income from labor and capital would rise considerably under the extended-baseline scenario. The increase in the marginal tax rate on labor would reduce people's incentive to work, and the increase in the marginal tax rate on capital would reduce their incentive to save.

The basic point I am making is that tax hikes are not like finding a pot of gold at the end of a rainbow. That money comes from somewhere, and there will be consequences to redistributing it.

Moreover, as we saw in the budget released today, even spiking taxes by over \$1.6 trillion will not help us to balance our books.

Abnormally high spending drove the deficits of the past. It is driving the deficits of today. And it will drive the deficits of the future.

Some folks, in response to the question of whether the President is triangulating after the drubbing Democrats took in November, have answered no. He's just being himself.

You can say that again. He supported big government as a community organizer. He supported it as a Senator, on this floor and in committees.

He supported it as a presidential candidate, and he supports it today.

But the stakes are higher now.

He is the Nation's chief executive, and ultimately the President is responsible for guiding our Nation through the treacherous waters of an impending fiscal crisis. These are not easy shoals to navigate yet the statesman cannot shirk his duty.

As Senator Henry Clay once put it, "I would rather be right than be President."

Some things are bigger than the next election, and getting our deficits under control is one of those things.

The American people know that President Obama's budget is not right.

The present administration is spending almost 25 percent of our GDP, historically high except during and shortly after World War II. The last time we had that kind of expenditure was in 1950. That is why I am so strongly for a balanced budget constitutional amendment. I wish we did not have to go to that, but I don't see any other way we will get spending under control because I think Congress has been institutionally incapable of bringing down spending.

One reason is that with the help of the mainstream media, Members of Congress actually believe they will be kept in office by spending, and up to now that has been pretty true. But the American people are starting to wake up, they are starting to realize that, as sincere as my colleagues are on the other side, their economic policies are corrupt—maybe "corrupt" is too strong word, but it is wrong, definitely wrong.

We know the American people are not going to stop demanding real lead-

ership on this issue. I feel badly because I know I personally like the President. There is no question about it. I showed him great friendship when he was here. I have shown him friendship since he was elected.

We all know that in order to resolve these problems we have to get entitlements under control. As good as some here in Congress are, we can't do it without Presidential leadership. We just can't.

I have a suggestion for the President. He would go down in history as one of the truly great Presidents if he would work with us, work together, bringing bipartisan people together and work to resolve these conflicts. You cannot do it with just 15 percent of the budget and you cannot do it with just tax increases. You cannot do it with an ever-expanding Federal Government. You cannot do it with an ever-expanding set of Federal employees. You cannot do it with ever-expanding regulations—although some of them are important. All of these things may be important, but you can't do it with those concepts. The only way you can do it is to get in and take the whole budget and work with both sides and see what we can do to bring people together and see if we have the courage to resolve these problems, not only for today but for our kids and grandkids, and, in my case, great-grandkids as well, hereafter.

I don't want the President to fail, but I have to point these things out. Let's face it, he is getting some very poor advice. Even when he wants to come to the center he gets rapped hard on the knuckles by the far left of his party, most of whom are far left, as least those here on the floor.

There are very few moderates on the Democratic side. I found most of the people who are moderates are moderate when their vote doesn't count. I think if you go back and look at the record you will find that to be true. The vast majority of our friends on the other side believe we should keep spending, keep taxing, and that will keep them in power. But all the power in the world doesn't count if we are wrecking the greatest country in the world.

I think our side has to wake up a little bit, too. We can't just do it with tax cuts either. On the other hand, I would rather have tax cuts that spur on the economy and create small business jobs than continue to spend us into oblivion.

Nevertheless, we are all going to have to work together if we are ever to get this problem solved. The only way I know to solve it is through Presidential leadership combined with courage on the part of Members of Congress.

But what they are pursuing with this budget is pathetic. There are so many budgetary gimmicks in this bill that it is plain pathetic. I will repeat what I said earlier; that is, the little over a trillion dollars, \$1.1 trillion, in deficit reduction this budget will achieve over 10 years is barely \$100 billion a year.

The total proposed deficit reduction is not even as much as our deficit for this year alone. During those 10 years, there will be hundreds of billions, if not trillions, of dollars of additional deficits until we reach a point, in about 2022, where we will be around \$22 trillion in debt.

I do not know about you, Mr. President, or anybody else in this Chamber, but I think it is time for us to start standing up. I think it is time for the President to lead. I think the Democrats who have control of the bureaucracy ought to start working with us on to get that bureaucracy trimmed down. Let's consider the one aspect of constitutional politics that has worked; that is, allowing 50 States to participate, and through 50 State laboratories we can pick and choose the things that work best. Had we done that with health care, we would not be in the mess health care is today, and the oblivion it is headed for.

We cannot fix this deficit problem with tax increases. Frankly, my experience has been that tax increases do not work. What does work is giving the small business sector incentives, real incentives, not "investments" but real incentives to keep creating the 70 percent of jobs that only the small business sector can do.

If we increase those taxes, we are going to be in a mess. I can tell you, the budgeteers at OMB and CBO, as sincere and dedicated as they may be—I like Mr. Lew very much, and I think Mr. Elmendorf is a very fine budgeteer and economist—are always low in their estimates of deficits. It could be much worse than what we know right now. I hope we will have the guts, I hope the President will have the guts to lead, and I hope we would have the guts to follow that lead, and hopefully turn this ship of state around.

I yield the floor.

The ACTING PRESIDENT *pro tempore*. The Senator from Alaska.

Mr. BEGICH. Mr. President, I want to talk on Essential Air Service, but I do want to make a couple of comments after hearing my colleague from the other side talk about the budget. I want to assure him, there are some moderates over here who understand the value and the managing of the budget. If someone comes from Alaska, you know we support gun rights, oil and gas drilling, we support a lot of things as Democrats that the Senator may not be aware of.

But the other thing is, leadership is about all of us working together. I look for the President's budget, but that does not mean we are going to sit here and wait for him to make all of the decisions. We have a responsibility here. I know last year, I sat here and voted for the Sessions-McCaskill amendment that would have reduced some of the spending, controlled some of the spending. We could not get all of the votes on the other side to make it happen.

I supported every dime that came back from the TARP repayment to go

to pay off the deficit, which now we are close to 80 percent or better of that money coming back, maybe as much as 90 percent. I supported the Gregg and Wyden legislation, a bipartisan effort to deal with tax reform to get corporate rates from the second highest in the world back to about midstream; lowering the six individual rates down to three rates; making it simplified so people can fill out their taxes on one form, and getting rid of a bunch of loopholes.

It is the combination of all of us that will create leadership. It is not one person; it is not one President. It is Republicans and Democrats and Independents sitting on the floor making tough decisions, not a bunch of political speeches. Let me end there and get to the topic I wanted to talk about. At some point I will come down here and talk about the budget as it is rolled out. I know on the Budget Committee we will have plenty of presentations on that.

I came down here to talk about Essential Air Service. I want to thank Chairman ROCKEFELLER and Senator HUTCHISON for their leadership on this very important bill. They have worked tirelessly to pass this bill in the 111th Congress, and they are again putting in long hours on it this year.

The bill before the Senate is an incredibly important piece of legislation. The FAA bill is about creating jobs. It puts Americans to work rebuilding our Nation's deteriorating airport infrastructure. It modernizes our air traffic control system to reduce congestion in the skies, and it makes our Nation's air space safer and more efficient.

There are so many important reasons why we should succeed in passing this legislation, which passed the Senate 93 to 0 last year. Even in a year that was marked with contentious and partisan battles, this FAA bill was truly a bipartisan piece of legislation, and this can largely be credited to the hard work of Chairman ROCKEFELLER, Senator HUTCHISON, and their staffs.

This bill has been delayed far too long. We are currently on the 17th short-term extension since the last comprehensive FAA bill expired in 2007. We owe it to the American people to help reduce airport delays, put Americans back to work, and provide the 21st century air space our Nation needs to facilitate commerce and compete in a world economy.

This bill is especially important for States such as mine. Aviation is the lifeblood of Alaska. It is truly our highway in the sky. We have six times more pilots and 16 times more planes per capita than the rest of the country. In Alaska small planes are the equivalent of minivans in the lower 48. They are how Alaskans get around.

I wish to talk briefly about the Essential Air Service Program, which is vital to my constituents. My friend from Arizona has introduced an amendment which would repeal the Essential Air Service Program. I truly have

grave concerns for what this would mean, not only for my rural Alaskans but for rural Americans as a whole.

The Essential Air Service Program originated at the same time as airline deregulation in 1978. When airline deregulation passed, it gave airlines almost total freedom to determine which markets to serve domestically and what fares to charge for that service. This is not a bad thing. Some good things came out of airline deregulation. It fostered competition among airlines. It brought down ticket prices for many air routes between large urban centers.

But when Congress passed airline deregulation, it also recognized that something needed to be done to protect rural communities. They were not the most profitable routes for air carriers, so the idea was to maintain a minimum level of service. That is where the Essential Air Service Program came in. The program provided modest subsidies to air carriers to provide service to communities that would have otherwise lost all air service through deregulation. Since 1978, the Essential Air Service Program has successfully guaranteed small communities that were served by certified air carriers before deregulation that this would maintain a minimum level of scheduled air service. The program has been a vital link for rural America.

There are very real consequences to eliminating this program for my constituents, especially in the 44 communities served by the EAS Program. Let me show you this poster. This poster shows Alaska's limited road infrastructure. Eighty-two percent of Alaska's communities are not on the road system and rely on aviation as a primary means of transportation, for goods, people, mail. It all has to come by aircraft. Let me not confuse those who are watching. We did not oversize the State of Alaska. Alaska does not sit down here by California or in a little box somewhere. This is actually the size of Alaska in comparison to the lower 48.

The red lines show the road network. You can imagine the road network that would be shown in the lower 48. But this is all of the road network we have. So for the rest of the State it is by air or boat. People in communities face some of the highest costs of living in the country. Rural Alaskans cannot drive to a Safeway when they need something. There are no roads, and there are no Safeways. If you eliminate the EAS Program, it is going to drive these prices even higher in rural Alaska.

Gary Williams, from the village of Kake, sent me a letter about what the McCain amendment would mean for his community. By the way, the EAS ensures Kake receives at least three weekly flights from a small Cessna 208 aircraft during the winter. Again, this is not a jetliner. Maybe in Alaska we think a Cessna 208 is a jetliner, but that is a very small plane.

Gary Williams in Kake says:

I frankly cannot imagine being without service. It would isolate and cripple us on many levels.

In addition to eliminating the only source of transportation for many communities, Senator McCain's amendment would actually put people out of work. It would hurt small businesses in Alaska and across this country. It is truly a job-killing amendment.

I wish to read from a letter my office received from the owner of PenAir. PenAir is a family-owned business, started in 1955 by a young 19-year-old teenager named Orin Seybert. When Orin started his business in 1955, he had a two-seat Taylorcraft and a four-seat Piper Tri-Pacer. Orin is a great example of the pioneering spirit that embodies Alaska. Over the years Orin grew the business into a successful regional air carrier, serving communities throughout rural Alaska. PenAir is now run by Orin's son Danny. This is a letter from Danny Seybert, the president of PenAir:

For many of these communities, PenAir is the only scheduled passenger air service link to the rest of the world.

He goes on to say if the McCain amendment is passed, it:

would have a devastating effect on many remote communities in Alaska, on many air carriers who provide those communities with air transportation services, and on Alaska's economy.

Here is an e-mail my office received from the Copper Valley Air Service. Copper Valley flies two EAS routes serving the communities of McCarthy and May Creek. The e-mails read:

If this amendment is approved, it will put Copper Valley Air Service out of business. It will cost eight jobs. This cannot pass.

This is an e-mail from Bruce Phillips, the chief pilot of Wings of Alaska: Repealing EAS would "not only diminish jobs and raise costs, but also potentially abolish air service to some communities entirely. Villages in Southeast Alaska have no roads and limited, if any, ferry service making air service a lifeline. This is how they receive everything from medication to mail to groceries as well as how they travel for medical, personal and business."

I have got a stack of these letters that my office has received in the past few days from communities that would lose air service if the McCain amendment is adopted, from individuals in the communities who are terrified about what this would mean for the price of goods in their communities, from those worried about the cost of air travel if they get sick and they need to seek medical attention at a hospital, and from small air carriers worried that they will either have to lay off employees or go under altogether.

I ask unanimous consent that some of these letters be printed in the RECORD.

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

NORTON SOUND HEALTH CORPORATION,
Nome, AK, February 2, 2011.

Senator MARK BEGICH,
Russell Senate Office Building,
Washington, DC.

DEAR SENATOR BEGICH: We are extremely concerned and worried by Senator McCain's efforts to repeal EAS in Alaska. We know that these efforts will more than double ticket prices within rural Alaska. Just for our Materials Management department alone we spent over \$46,000 in freight from October 2009 to October 2010. Norton Sound Health Corporation's expenditures for freight, company-wide exceed \$250,000 for that same time period.

We are asking you to please speak against the repeal of EAS in Alaska. People in rural Alaska will be terribly affected by the repeal if it passes. Recruitment and retention for medical professional staff is dependent on our ability to fly staff and household goods to our region. If passed, the repeal will more than double the costs of transporting goods, patients, critical service workers and will have an insurmountable effect on an already challenged economic situation in rural Alaska.

At Norton Sound Health Corporation we rely completely on travel to provide critical patient access to and from our villages. Air transport is the only way to bring patients into Nome, our regional hub, and to Anchorage, when needed, for appointments. We rely entirely on the Essential Air Services for keeping the cost of transporting medicine and supplies to an already exorbitant minimum.

Sincerely,

CAROL J. PISCOYA,
President/CEO.

NANA REGIONAL CORPORATION, INC.,
February 2, 2011.

Hon. MARK BEGICH,
U.S. Senate, Russell Senate Office Building,
Washington, DC.

DEAR SENATOR BEGICH: I am writing you to express NANA Regional Corporation's (NANA) opposition to Senate Amendment 4 to S. 223, the Federal Aviation Administration (FAA) Air Transportation Modernization and Safety Improvement Act, which proposes elimination of the Essential Air Service (EAS) program. Dismantling the EAS program will create an unreasonable burden on rural Alaskans; further increasing the already high cost of living, further limiting rural residents' access to basic services, and potentially increasing rural Alaska's already high rate of unemployment.

As you know, the majority of communities in Alaska are not connected by any road system. Many of these communities are surrounded by lands that are federally protected from basic roadway transportation infrastructure or located in areas where building bridges is not economically feasible. Weather also limits transportation to many of these areas of the state.

Air transportation is the only year-round means of accessing most rural Alaska communities. Air freight brings essentials supplies like food, home heating fuel, transportation fuel, construction materials, vehicles, medical supplies and other goods and services to our villages. Even with EAS in place, the cost of air transportation affects all aspects of rural Alaskans' lives, affecting the consumer price of most goods. Transportation costs dramatically affect the cost of living in Kotzebue, the NANA region's hub village, where the cost of living is 61 percent higher than Anchorage, Alaska's most urban city located on a road system.

In addition to living costs, the cost of air transportation affects rural Alaskans' ability to access basic services that are available

to urban Americans or Americans connected to a road system. Air transportation is often the only access that rural Alaskan's have to critical medical care that cannot be supplied locally. Public safety is also affected by access to air transportation. Many communities do not have local public safety officers and, in the event of an incident, public safety officers have to be flown into communities.

The EAS program exists to ensure rural communities have access to air transportation services despite the fact that they have a limited number of passengers to offer certain air carriers. As you know, 45 communities in Alaska receive financial support from the EAS program and with most of these areas receiving guaranteed service, even if it is not subsidized, because of the EAS program.

The EAS program has a profound economic affect on our region and all of rural Alaska, creating reliable air service and making air transportation affordable for most rural Alaskans. Eliminating this essential program would create further barriers to the success of the most rural reaches of our state. Organizations in Alaska, including NANA, are working hard to create viable rural economies. Eradicating the EAS program would strike a significant blow to the progress these organizations have been able to make.

It is important for citizens of the United States to have reasonable access to the rest of the country. EAS guarantees Alaskans, who are citizens of this great nation, the same access afforded to Americans who live in areas of the country where the federal government has spent trillions of dollars to develop surface transportation alternatives. Preserving the EAS program will ensure that our rural Alaska communities are not forgotten as Congress and the federal government work to improve our national economy. NANA supports the EAS program and it is our hope that SA 4 to S. 223 will be defeated.

Taikuu,

MARIE N. GREENE,
President/CEO.

CALISTA CORPORATION,
Anchorage, AK, February 1, 2011.
Re SB 223 Repealing Essential Air Service.

Senator MARK BEGICH,
Russell Senate Office Building,
Washington, DC.

HONORABLE SENATOR BEGICH: Senator McCain has introduced amendments to bill S. 223, to modernize the air traffic control system, improve safety, reliability, availability of air transportation in the United States, provide air traffic control modernization, reauthorize Federal Aviation Administration, and repeal Essential Air Service subsidy program (EAS). We strongly oppose any actions to repeal the EAS program for the eligible communities for which it was intended for.

The essential in EAS is just that: "Essential" to the access, survival, and economy of isolated and rural communities throughout America, as well as Alaska which do not have alternatives:

The EAS program was intended for—and has successfully kept—scheduled air service to those cities and rural Alaskan communities that were served at the time of deregulation, and, which would otherwise lose or have lost ALL air service after the airline deregulation of 1978, and in any anticipated subsequent and more recently poor market conditions.

EAS ensures small communities served by air carriers before the deregulation, can maintain minimal service to retain their

link to the national air transportation system. It guarantees air service even during: low passenger volumes; low profitability to air carriers; less than ideal operating conditions (great distances and remote areas, weather, and mountainous terrain); and periods where air carriers will simply leave for better, easier, and more profitable market areas.

EAS provides and maintains stability to the National Aviation Transportation System and network in America, by ensuring the system is not overly modified or changed suddenly, again simply due to carrier profitability in some communities or areas at the expense of those smaller and less profitable markets.

EAS keeps ticket prices to MANY smaller rural communities down. As an example, even with EAS subsidies, ticket costs to some communities can be over \$1,100, such as Adak, Alaska, and other cities ranging in population from 35,000 to a few hundred. Nearly every community in Southeast Alaska depends on EAS to receive jet and even any scheduled air service in that area. Without EAS, ticket prices would more than DOUBLE costs of air travel to RURAL communities throughout Alaska; as well as in many cities throughout the U.S.

In Alaska, EAS provides funding subsidies to 44 of 300+ communities, with 38 of those relying on aircraft as the primary access and transport mode because there is NO other transportation access alternative—they are completely isolated from any roads.

The EAS program provides an average \$285,559 community subsidy in Alaska, as compared to the average subsidy in other U.S. communities of \$1,495,505. Other U.S. communities actually have roads and other transportation mode options and backup.

Unlike most parts of the U.S. with a long history of infrastructure building and access to well established National Transportation System roads, highways, railroads, buses, ferries, and airports; Alaska is a new state and the only state in the union where a majority (82 percent) of our 300+ remote communities are inaccessible and unlikely (due to being largely or entirely surrounded by Federal wilderness, preserves, park, and restricted lands) to ever become accessible by roads! This problem was realized during the original drafting, debates, and establishment of the EAS program. Airports and airways in Alaska have had to by necessity, had to serve as 'highways' in order to provide reliable, scheduled air service that would become essential to the health, safety, economy, and literally survival of people living in our state. We have 8 times the enplanements and 39 times the freight per capita compared to the rest of the U.S.; and aviation provides 1 in 10 jobs and is the 5th largest employer in Alaska.

Even the smallest of air carriers often provides a full or part time job in most communities they serve assisting with schedules, passengers, and cargo; while, each runway and airport also has an employee to maintain and operate the smallest of facilities. Airport, carrier, and related service positions provide critical jobs that help support the economy and rural communities.

A better solution (rather than repeal an entire important program such as EAS), would be updating the criteria utilized for EAS eligibility; as well as, including consideration of what nearby airports, carriers, and modes of transportation communities have for access options to receive EAS program funds.

In summary, complete elimination of EAS could destabilize some small communities, would have an extremely negative impact on the integrity of Alaska's interconnected aviation system, and seriously reduce air

service. EAS has been and will continue to be critical for the aviation transportation system network, provides important jobs, and enables access for rural isolated communities across America.

Thank you for your attention and consideration to this serious matter. Please do not hesitate to contact us with questions, or if we can assist in defending this essential program (907) 644-6309.

Sincerely,

CHRISTINE KLEIN, AAE,
Executive Vice President & COO.

ORGANIZED VILLAGE OF KAKE,
Kake, AK, February 1, 2011.

Re Essential Air Service to Rural Alaska.

Senator MARK BEGICH,
Hart Senate Office Building,
Washington, DC.

DEAR SENATOR BEGICH: Our office received word late this afternoon that was released by the Alaska Air Carriers Association, reporting that a bill (or amendment to a bill) is being introduced in the Senate for the repeal of the Essential Air Service program. This program serves rural areas throughout the U.S., including many areas in Alaska. Further, we understand that you will be speaking tomorrow against this bill; thus, we are providing this letter in the hope that it can assist your efforts, and we are confident similar efforts from Senator Murkowski and Congressman Young.

As fellow Alaskans, we all know the need to retain the Essential Air Service program for our rural areas. Loss of the program would be crippling to the many rural communities that rely on it—its title so accurately describes its function—it is "essential" to the health & welfare, economy, education, and the list goes on and on. All of these communities are an integral part of the fabric of Alaska and we cannot let them be unjustly harmed, which would surely occur if a necessity as basic as transportation is crippled.

Each community has a story, with many similar needs around the State, and ample justification to retain the Essential Air Service Program. Allow me to briefly share our situation, with the hope that it can assist in the defense of this important and essential program. The community of Kake is located on an island in Southeast Alaska and is without road access to other communities. We are extremely reliant on safe and effective air service for basic transportation to/from other cities for health care, business, education, pleasure, etc.—essentially any goods or services that require a transportation connection. In addition to passengers and freight, reliable and daily delivery of U.S. mail to/from Kake is critical for both business and personal. The reasons for this necessary service to Kake are based on essential requirements that will allow the community to function and live in today's society—with an adequate number of daily flights absolutely required to meet those needs.

Please feel free to contact our office for further information and as always, thank you for your efforts on behalf of our community and others around our great state.

Sincerely,

CASIMERO A. ACEVEDA,
President.

PENAIR,

Anchorage, AK, February 1, 2011.

Re Essential Air Service in the State of Alaska.

Hon. MARK BEGICH,
U.S. Senator, Russell Senate Office Building,
Washington, DC.

DEAR SENATOR BEGICH: I am President and Chief Executive Officer of Peninsula Air-

ways, Inc. ("PenAir"), the largest commuter airline in Alaska with several hundred employees. PenAir provides critical passenger, cargo, and mail services to dozens of remote communities throughout southwestern Alaska, from the Aleutian Islands in the west to Unalakleet in the north, to our base at Anchorage in the east. For many of these remote communities, PenAir is the only scheduled passenger air service link to the rest of the world.

It has come to our attention that an amendment has been proposed in the U.S. Senate to eliminate the federal government's Essential Air Service ("EAS") Program. Such an amendment, if passed, would have a devastating effect on many remote communities in Alaska, on many air carriers who provide those communities with air transportation service, and on Alaska's economy. Accordingly, PenAir respectfully asks that you vigorously oppose any such amendment.

The EAS Program was established by the U.S. Congress to ensure that smaller communities would retain a link to the national air transportation system even if federal subsidies were necessary to maintain such service. It is a particularly important program for Alaska because, as you well know, the federal government's ownership of lands in Alaska and the limited access to those lands means that air transportation is the only way to reach most rural communities in Alaska.

For its part, PenAir currently provides subsidized essential air service to the remote communities of Akutan, Atka, and Nikolski. Other small and large air carriers provide subsidized air service to dozens of other communities throughout Alaska.

Without the EAS Program and corresponding federal subsidies, service to these remote Alaskan communities would simply not be economically viable, and therefore these services—including PenAir's scheduled Atka, Nikolski, and Akutan service—would be discontinued. As a result, the residents and businesses in these communities would lose their only scheduled passenger air transportation service, effectively cutting them off. PenAir would also be compelled to reduce the ranks of its employees and its aircraft fleet as its route network contracted with the discontinuation of these essential air services. And, of course, with the loss of these scheduled passenger air services and the jobs associated with those services, Alaska's economy would suffer greatly as well. In sum, the elimination or repeal of the EAS Program would have devastating effects on the remote EAS communities in Alaska that rely on these services and on the air carriers that serve them.

PenAir therefore respectfully asks that you vigorously oppose any such elimination or repeal of the EAS Program.

Sincerely,

DANNY SEYBERT,
President.

TO WHOM IT MAY CONCERN: I would like to express my immense concern over Senator McCain's amendment to bill 223 proposing to repeal Essential Air Service. This would not only diminish jobs and raise costs but also potentially abolish air service to some communities entirely. Villages in Southeast Alaska have no roads and limited, if any, ferry service making air service a lifeline. This is how they receive everything from medication to mail to groceries as well as how they travel for medical, personal and business.

Air carriers cannot afford to personally subsidize service into small communities whose population is not great enough to support air service. Disruption in air service

will have deep reaching effects that are far removed from simply loss of airline service, loss of airline service may well affect the viability of some communities that we presently serve.

Sincerely,

BRUCE PHILLIPS,
Chief Pilot.

40-MILE AIR,
Fairbanks, AK, February 1, 2011.

TO WHOM IT MAY CONCERN: We serve two communities under an Essential Air Service contract. Then communities are in remote, road less areas of Alaska. These communities, others like them and businesses like ours will be economically devastated if the Essential Air Service contract was to end.

Their ability to get essential things, like groceries and medications will become very difficult and cost prohibitive. I believe communities that do not have year round roads should continue to receive Essential Air Service subsidies.

Thank you for your time and consideration.

Sincerely,

LEIF WILSON,
President.

ALASKA AIRLINES,
Seattle, WA, February 2, 2011.

Hon. MARK BEGICH,
U.S. Senate,
Washington DC.

DEAR SENATOR BEGICH: We are writing to express our concerns regarding Senator McCain's proposed amendment to the pending FAA reauthorization bill to repeal the Department of Transportation's Essential Air Service program. Given the vital importance of the EAS program to the state of Alaska, we are opposed to any modifications to the program that in any way affect EAS service in the state.

The EAS program is part of the critical transportation infrastructure in the state of Alaska. On a statewide basis, the EAS program provides compensation for service by 13 carriers to 47 communities. Quite understandably, no other state has comparable air service needs. Without it, many parts of the state would suffer from lack of connectivity to the larger cities within the state and beyond. Alaska Airlines operates under two EAS agreements in the state of Alaska, one to serve Adak and the other to serve the Southeast Alaska communities of Cordova, Gustavus, Wrangell, Petersburg and Yakutat. Under these agreements, we connect these communities on a single-flight basis to our Anchorage, Juneau and Seattle hubs, providing for both their passenger and cargo needs. It also bears mentioning that, in enacting EAS legislation, Congress recognized the state of Alaska's special needs by providing that the EAS program would uniquely cover cargo as well as passenger service in the state. As you are very much aware, these EAS communities are extremely remote and not accessible by road. Air service is truly "essential" for them.

Alaska's air service to Adak and these Southeast Alaska communities would simply not be economically feasible without EAS compensation. Alaska Airlines, having provided EAS service to these communities for decades, views its relationship with them as extending well beyond a traditional commercial airline relationship. The company readily acknowledges its special continuing obligation to serve as their vital transportation link to our hubs within the state and beyond. The EAS program is critical to our ability to provide such service.

We sincerely appreciate your support for the program and respectfully encourage you to oppose Senator McCain's amendment.

Sincerely,

W. L. MACKEY,
Senior Vice President.

ALASKA AIR
CARRIERS ASSOCIATION,
Anchorage, AK, February 2, 2011.

Hon. MARK BEGICH,
Russell Senate Office Building,
Washington, DC.

DEAR SENATOR BEGICH: The Essential Air Services program allows 45 communities in Alaska to be connected to life sustaining services. Alaska is approximately 1/3 of the communities served under EAS contracts, however, expenses to serve these 45 communities are less than 10% of the EAS program.

Alaska has the largest aviation system in the US, which includes 700 airports and 1,200 airstrips. Over 10,000 aircraft are registered in the State of Alaska. These aircraft are the backbone of transportation for the State. Alaska is served by 304 certificated carriers, of which over 90% employ less than 10 employees.

Eighty-two percent of our communities are not accessible by road and rely on air transport for all life sustaining goods and services. Alaska's people travel by air eight times more often per capita than those in rural areas of the Lower 48, and ship 39 times more freight per capita—nearly one ton per person per year.

Aviation in Alaska provides \$3.5 billion to the State's economy, is eight percent of the Gross State Product, and is the fifth largest employer in the State, employing 10% of our total workforce.

Since 1966 the Alaska Air Carriers Association (AACA) has represented the interests of aviation businesses in Alaska. AACA is a statewide organization representing over 150 members. Our members meet the needs of the traveling public and rural Alaskans by providing scheduled commuter travel, on-demand air charter, cargo transport, mail delivery, emergency medical evacuation, flight seeing, pilot training, aircraft maintenance, parts sales, fuel sales, storage, rental, and airline servicing.

Please help insure that the viability of communities in Alaska and small businesses struggling to survive are not unfairly swept away or categorized alongside communities on road systems in the Lower 48.

Sincerely,

C. JOY JOURNEY,
Executive Director.
GERARD H. ROCK,
President.

ALASKA FEDERATION OF NATIVES,
Anchorage, AK, February 13, 2011.
Re AFN BOARD RESOLUTION 11-04, SUPPORTING THE CONTINUED FUNDING OF ESSENTIAL AIR SERVICES PER S. 223.

Hon. MARK BEGICH,
U.S. Senate, Russell Senate Office Building,
Washington, DC.

DEAR SENATOR BEGICH: On behalf of the Alaska Federation of Natives (AFN), thank you for opposing the proposed McCain amendment repealing Essential Air Services (EAS) as it affects the air transportation services to communities in rural Alaska. EAS is a program that was set in place when the airline industry was deregulated, and it was intended to provide a notice and subsidy when community (that had regularly scheduled service as of 1978) received notice that it would no longer receive regularly scheduled air service.

The significance of the EAS program in Alaska is that it provides a vital link that

connects, sustains, and maintains our communities in rural Alaska. The communities that depend on EAS would be effectively cut off from the rest of the United States resulting in the cessation or decreased delivery of mail, food, and fuel to most rural parts of the United States, and particularly in rural Alaska, if the McCain Amendment is enacted.

The attached AFN Board Resolution 11-04 was passed unanimously by the Board of Directors of AFN in a duly called meeting where a quorum was present. This resolution fully supports your efforts on the floor of the U.S. Senate as the U.S. Senate is considering S. 223. Keep up the good fight!

Sincerely,

JULIE E. KITKA,
President.

RESOLUTION 11-04
SUPPORTING THE CONTINUED FUNDING OF
ESSENTIAL AIR SERVICE

Whereas: The U.S. Senate is considering S. 223 to "modernize the air traffic control system, improve the safety, reliability, and availability of transportation by air in the United States, provide for modernization of the air traffic control system, reauthorize the Federal Aviation Administration, and for other purposes;" and

Whereas: Senator John McCain has proposed an amendment to repeal Essential Air Service (EAS), and its repeal will likely have a negative impact on air transportation and communities in rural Alaska; and

Whereas: EAS provides a vital link that connects, sustains, and maintains our communities; and

Whereas: Alaska is a vast state, with millions of acres of wilderness and has few transportation options and ground transportation is non-existent to most rural communities; and

Whereas: EAS is a program that was set in place when the airline industry was deregulated, and it was intended to provide a notice and subsidy when community (that had regularly scheduled service as of 1978) received notice that it would no longer receive regularly scheduled air service; and

Whereas: The communities that depend on EAS would be effectively cut off from the rest of the United States, which would result in the cessation or decreased delivery of mail, food, and fuel to the most rural parts of the United States; and

Now therefore be it Resolved by the Board of Directors of the Alaska Federation of Natives, That it conveys its thanks and support to the Alaska Congressional Delegation for its support and effort to maintain the Essential Air Service (EAS) as it now exists and respectfully urges them to continue to oppose any legislation repealing EAS as it applies to Alaska.

Passed This Day, 10th of February 2011.

JULIE E. KITKA,
President.

Mr. BEGICH. It is easy to call this wasteful if you do not understand the needs of rural communities. They do not have any other means of transportation. When he introduced the amendment, my friend in Arizona suggested that folks are bypassing Essential Air Service flights to drive to a hub and the hub airports, where they can get cheaper fares to more destinations. Consider how that applies in my State. For the community of Adak, in the Aleutian Islands, the connection to the nearest medium hub is Anchorage. I laugh a little bit, because I want to put this truly in perspective. It is almost 1,200 miles.

So if one wants to, as Senator MCCAIN says, drive to the hub, they can't do that because they are here. In order to get to here, they have to go by air or catch a boat, assuming the weather is good. So his analysis that the people are just driving off to these hubs and catching flights that are cheaper is inaccurate. He is unfamiliar, obviously, with what is going on in Alaska.

To put the number in perspective, it is about the same distance from Los Angeles to Houston, except, unlike Los Angeles and Houston, there are no roads between these two places.

I agree with Senator MCCAIN that we need to do something to address our Nation's budget deficit. Before I started this conversation, I made some comments on things I have done, and I will continue to work on that. But I don't believe we should balance the Federal budget on the backs of communities and people facing some of the highest costs of living and the toughest conditions in the country, and that is exactly what the McCain amendment would do.

When Senator MCCAIN introduced this amendment, he cited a July 2009 GAO report and suggested that the EAS has outlived its usefulness. I have that very same report. Sometimes when people make speeches, they read selectively. I wish to go to page 2 of this report. There, the GAO said:

Our review focused on communities within the continental United States—

We like to refer to them as the lower 48—

that received EAS subsidized service. We focused our review on these communities because the requirements for communities in Alaska are different than for communities in other states, and airports outside the contiguous states are not representative of the program in the rest of the country.

I can't speak for Senator MCCAIN's constituents in the four communities in Arizona that receive Essential Air Service. Maybe the folks of Kingman, Page, Prescott, and Show Low, AZ, who receive EAS don't think it is necessary. I am not sure if Senator MCCAIN has checked with them; maybe that is how they feel. But I can speak for rural Alaskans who have contacted my office, who are terrified about this amendment and what it would mean for their community, for their way of life, for the very health and well-being of their families. We are in the midst of a recovery from an economic collapse. It makes no sense to eliminate a valuable program that helps rural America and puts small business to work.

This amendment would take us in the wrong direction. I strongly urge my colleagues to oppose this amendment.

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

The PRESIDING OFFICER (Mr. COONS). The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

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

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

Mr. DURBIN. Mr. President, I ask unanimous consent to speak as in morning business.

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

THE PRESIDENT'S BUDGET

Mr. DURBIN. Mr. President, each year the President presents a budget. It is the beginning of the formal conversation about what next year's budget will be, and each President presents their offering and their suggestion. Then, of course, the House and the Senate have to try to reach an agreement as to what the actual budget will be. The President suggests a bottom line in spending, and then the House and the Senate make appropriations decisions within that bottom line.

Today, President Obama kicked off this conversation by presenting his budget to America. He presented it at a time when he faces two very significant challenges: how to create more jobs and less debt. It is a tough balancing act because we know that to reduce the debt, we need to reduce spending. What the President reminds us is, let's not cut spending in areas that are critical for the growth of our economy and the creation of good-paying jobs in America.

The unemployment rate is about 9 percent. Mr. President, 13.9 million Americans are out of work. In Illinois, it is 9.3 percent, with 620,000 people actively looking for jobs. Too many people want to work so they can keep a roof over their heads but cannot find a job.

At the same time, though, we have a \$14 trillion debt. I hope the Presiding Officer will forgive me for a little history because I think it is worth noting when we talk about the debt of America how we have reached the point we are at today.

The fact is, 10 years ago—10 years ago—when President William Jefferson Clinton left office, the debt of America was \$5 trillion. The President said to his successor, President George W. Bush: The budget is in surplus as I leave office. We are collecting more money than we are spending in Washington, and we project a \$120 billion surplus in the next fiscal year. Welcome to Washington, President Bush.

Now fast-forward 8 years later—the next transition, from President George W. Bush to President Obama. What was the state of play? The national debt was no longer \$5 trillion; 8 years later, it was \$12 trillion—\$12 trillion. President George W. Bush said to President Obama: Welcome to Washington. I can't give you a surplus, but I can give you a deficit of \$1.2 trillion for the next fiscal year.

In 8 years, what a massive turn of events. How did we go from a \$5 trillion debt to a \$12 trillion debt? How did we go from surplus to deep deficit in 8 years? Well, you do it by waging two wars you do not pay for, being the first President in history to call for tax cuts

in the middle of a war, and by creating programs, such as the Medicare prescription drug program, that are not paid for. Put those policies together, and you end up with the sorry state of affairs President Obama inherited. Now that deficit has gone from \$4 trillion to \$14 trillion because of the recession he inherited, and we are still struggling to get out from this mountain of debt that was created during the 8 years of the President George W. Bush administration and continues to this day.

So President Obama is trying to strike the right balance: How do you responsibly go after a deficit that calls on us to borrow 40 cents for every \$1 we spend and at the same time not kill the economic recovery? So he has tried to parse out those things that he thinks and I agree are critical for economic growth: education, innovation, and building America's infrastructure. He has done it with this budget and I think done it in a responsible way. He calls for freezing our spending for 5 years, which will save us \$400 billion off of the anticipated deficit, and he also talks about in the same period of time reducing the amount of money for domestic discretionary spending to a level, as a percentage of GDP, where it was under President Eisenhower back in the 1950s. We understand there is more to do, but I think the President sets out on a course that is responsible. We will change it—we always do—but I think the goals he has given us are worthy goals.

We know we have to act on our fiscal situation. I was appointed by the majority leader to be a member of the President's deficit commission. With Erskine Bowles, a former chief counsel to the President, and Alan Simpson, our former colleague in the Senate, our bipartisan Commission studied it for 10 months and came up with a proposal that we should deal with this budget deficit in a sensible way.

One of the things they suggested and I agreed with is, let's not cut too soon. If you cut too soon in some areas, you are going to spoil the recovery, you are going to slow down the recovery. You have to make sure the investments are there that will help us build jobs.

Now, the House Republicans see things differently. They started calling for cuts in spending and then were trumped within their own membership to raise those cuts to a level of about \$100 billion. Among the things the House Republicans want to cut are the following: \$74 million from the Small Business Administration at a time when small businesses are turning to the SBA for loans so they can stay in business and hire more people; \$1.4 billion from the clean water revolving loan fund that local communities use for basic infrastructure so they have good, clean drinking water for the families in their communities; \$600 million in TIGER II grants. These were grants that went directly from Washington to local units of government—no middleman involved at any State capital—for

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economic development. We need them in my State in communities such as Peoria and Moline. They also want to cut \$2.5 billion from high-speed rail. That is a national project of significance that hires thousands of private sector employees who would be out of work if the House Republicans have their way.

In education, the House Republicans would cut \$1.1 billion from Head Start. How many people have to remind us if we don't intervene in the lives of small children from families at risk, that those kids, sadly, may end up as poor students or worse. Head Start gives them a chance, and it is one of the first programs the Republicans called to cut.

They propose to cut \$700 million from schools across America serving disadvantaged students. They are going to have to lay off 10,000 teachers because of this House Republican cut.

House Republicans also call for an \$845-per-student cut in Pell grants for 8 million college students across America. There is a way for us to make sure Pell grants are well spent, but cutting the assistance for these students will discourage some from the training and education they need to find a job in the future.

House Republicans propose to cut \$1.5 billion from grants to States for job training. Again, at a time when we need new skills, when many people have lost a job to which they can never return, cutting this money could be very tragic.

Then, when it comes to research and development, I think the House Republicans have lost their way. They want to cut \$300 billion from the National Science Foundation, cutting grants to researchers, teachers, and students across America.

They want to cut \$1 billion from the National Institutes of Health. What are they thinking, to cut \$1 billion in medical research funds from the National Institutes of Health? If there is ever an area where we cannot lose our edge, not only for the good of humanity but for the good of our own people, it is in medical research. That is one of the first areas the Republicans turn to, to cut \$1 billion; and money from the Office of Science at the Department of Energy, \$1.1 billion. That is research for innovation in areas such as batteries for electric vehicles and other forms of clean energy, and that is clearly the future. What the Republicans want to cut, sadly, is too much in areas that promise a better future for America. We can do better.

Government can't directly create jobs at the pace we need to get this economy moving forward, but we can make the right investments. For example, infrastructure. In Illinois, we need to make sure we invest in high-speed rail. I am glad our State was chosen. It is going to mean more and more passenger service within our State, fewer cars on the highway, more construction. Ultimately, it is a benefit to the

environment. So high-speed rail is an important infrastructure investment.

Modernizing O'Hare Airport, not just for the flight times so they will be more on time for arrivals and departures, but also for safety—the modernization of O'Hare needs to continue.

We need to have safer roads and bridges.

We need broadband across Illinois and across America so small towns have the same advantages as big cities.

We need to put money into Head Start for education.

We can do this. There is waste in this government to be cut. We can work on that together and find it, but let's not eliminate the jobs of teachers whom we need so badly or the money for elementary and secondary schools or grants for families and loans to help them put their kids through college, and worker training. These are things where the President has the right priorities and, sadly, the House Republicans do not. It is a sharp contrast. It is an important debate, and it is one we will hear on the floor of the Senate and the House in the weeks ahead.

We can reduce our debt. I think the President is right. His budget would reduce projected deficits by \$1.1 trillion over the next 10 years. He wants to freeze nonsecurity discretionary spending for 5 years, and I think he has shown leadership in making that proposal. We need to work with him to come up with a bipartisan plan that reaches our goal of reducing debt in America while still creating jobs.

I went through that exercise with the deficit commission. I didn't agree completely with their product, but I thought it was a move in the right direction and I joined the bipartisan group of 11 who supported it. The fiscal commission report was called the moment of truth, and it was. With funding for the current fiscal year unresolved, with the next fiscal year looming, and with the debt ceiling within shouting distance, this is a seminal moment for the fiscal and economic future of America.

I commend the President for his approach in the fiscal year 2012 budget proposal. Just as America has faced down great challenges throughout our history, we can do this too. We can meet the dual challenges of more jobs and less debt. It takes leadership and constructive activism and realism. Bringing those together, Democrats and Republicans can work together to make equally painful but important political sacrifices. It will take a lot of work, but we can do it if we work together.

Mr. President, I yield the floor and suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

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

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

NOMINATION OF JAMES E. GRAVES, JR., TO BE UNITED STATES CIRCUIT JUDGE FOR THE FIFTH CIRCUIT

NOMINATION OF EDWARD J. DAVILA TO BE UNITED STATES DISTRICT JUDGE FOR THE NORTHERN DISTRICT OF CALIFORNIA

The PRESIDING OFFICER. Under the previous order, the Senate will proceed to executive session to consider the following nominations, which the clerk will report.

The bill clerk read the nominations of James E. Graves, Jr., of Mississippi, to be United States Circuit Judge for the Fifth Circuit and Edward J. Davila, of California, to be United States District Judge for the Northern District of California.

The PRESIDING OFFICER. Under the previous order, there will be 1 hour of debate with respect to the nominations, with the time equally divided in the usual form.

The Senator from Vermont.

Mr. LEAHY. Mr. President, I will not use all my time. I do want to note that by starting the week considering two of President Obama's judicial nominations, the Senate is building on the progress we began to make last week. With judicial vacancies in this country remaining over 100, nearly half of them judicial emergencies, the Senate's action on the two outstanding nominees we will consider is much needed. I thank the majority leader for scheduling the time. I thank the Republican leader for his cooperation.

James Graves of Mississippi is a justice of the Mississippi Supreme Court and has been a judge in Mississippi for 20 years. President Obama has nominated Justice Graves to fill a judicial emergency vacancy on the Fifth Circuit. When he is confirmed, he will be the first African American from Mississippi to serve on the United States Court of Appeals for the Fifth Circuit.

Edward Davila has been a California State trial judge for 10 years. For 20 years before his service on the bench, he was a deputy public defender and worked in private practice. President Obama nominated Judge Davila to fill a judicial emergency vacancy in the Northern District of California.

Both of these nominations were reported unanimously by the Judiciary Committee this year. Both also had been reported by the Judiciary Committee unanimously last year. We have reported them out twice unanimously. It is time now to vote on them. They were among the 19 judicial nominees we voted out unanimously and were ready to be confirmed by the Senate last year before we adjourned. When there was objection to proceeding last year, the vacancies persisted, the President had to renominate them and