

Christopher A. Coons, Claire McCaskill, Richard J. Durbin.

Mr. REID. Mr. President, I ask unanimous consent that the mandatory quorums with respect to the cloture motions be waived.

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

Mr. REID. Mr. President, I am told the managers of this bill have some business they still need to transact on this matter tonight.

Mr. ROCKEFELLER. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

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 President, I ask unanimous consent that the order for the quorum call be rescinded.

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

AMENDMENTS NOS. 5, AS MODIFIED, AND 55, EN BLOC

Mr. ROCKEFELLER. Mr. President, I ask unanimous consent that the Blunt amendment No. 5 be modified with the changes that are at the desk; further, that the Blunt amendment No. 5, as modified, and the Reid amendment No. 55 be considered and agreed to en bloc and the motions to reconsider be laid upon the table, with no intervening action or debate.

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

The amendment (No. 5), as modified, was agreed to, as follows:

On page 311, between lines 11 and 12, insert the following:

SEC. 733. APPROVAL OF APPLICATIONS FOR THE SECURITY SCREENING OPT-OUT PROGRAM.

Section 44920(b) of title 49, United States Code, is amended to read as follows:

“(b) APPROVAL OF APPLICATIONS.—

“(1) IN GENERAL.—Not later than 30 days after receiving an application submitted under subsection (a), the Under Secretary may approve the application.

“(2) RECONSIDERATION OF REJECTED APPLICATIONS.—Not later than 30 days after the date of the enactment of the FAA Air Transportation Modernization and Safety Improvement Act, the Under Secretary shall reconsider and approve any application to have the screening of passengers and property at an airport carried out by the screening personnel of a qualified private screening company that was submitted under subsection (a) and was pending on any day between January 1, 2011, and February 3, 2011, if Under Secretary determines that the application demonstrates that having the screening of passengers and property carried out by such screening personnel will provide security that is equal to or greater than the level that would be provided by Federal Government personnel.

“(3) REPORT.—If the Under Secretary denies an application submitted under subsection (a), the Under Secretary shall submit to the Committee on Commerce, Science, and Transportation of the Senate and the Committee on Transportation and Infrastructure of the House of Representatives a report that describes the reason for the denial of the application.”.

The amendment (No. 55) was agreed to.

MORNING BUSINESS

Mr. ROCKEFELLER. Mr. President, I ask unanimous consent that the Senate proceed to a period of morning business, with each Senator permitted to speak for up to 10 minutes each.

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

REMEMBERING RONALD REAGAN

Mr. KYL. Mr. President, last week we were all celebrating what would have been the 100th anniversary of Ronald Reagan. There was a piece in the Wall Street Journal by one of the economists who advised Ronald Reagan, Arthur Laffer, which I think recounts and discusses probably as good as any other summary I have ever seen the contribution Reagan and his administration made to the economy of the United States.

Therefore, I ask unanimous consent to have printed in the RECORD the article from the Wall Street Journal dated February 10, 2011.

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

[From the Wall Street Journal, Feb. 10, 2011]

REAGANOMICS: WHAT WE LEARNED

(By Arthur B. Laffer)

For 16 years prior to Ronald Reagan's presidency, the U.S. economy was in a tailspin—a result of bipartisan ignorance that resulted in tax increases, dollar devaluations, wage and price controls, minimum-wage hikes, misguided spending, pandering to unions, protectionist measures and other policy mistakes.

In the late 1970s and early '80s, 10-year bond yields and inflation both were in the low double digits. The “misery index”—the sum of consumer price inflation plus the unemployment rate—peaked at well over 20%. The real value of the S&P 500 stock price index had declined at an average annual rate of 6% from early 1966 to August 1982.

For anyone old enough today, memories of the Arab oil embargo and price shocks—followed by price controls and rationing and long lines at gas stations—are traumatic. The U.S. share of world output was on a steady course downward.

Then Reagan entered center stage. His first tax bill was enacted in August 1981. It included a sweeping cut in marginal income tax rates, reducing the top rate to 50% from 70% and the lowest rate to 11% from 14%. The House vote was 238 to 195, with 48 Democrats on the winning side and only one Republican with the losers. The Senate vote was 89 to 11, with 37 Democrats voting aye and only one Republican voting nay. Reaganomics had officially begun.

President Reagan was not alone in changing America's domestic economic agenda. Federal Reserve Chairman Paul Volcker, first appointed by Jimmy Carter, deserves enormous credit for bringing inflation down to 3.2% in 1983 from 13.5% in 1981 with a tight-money policy. There were other heroes of the tax-cutting movement, such as Wisconsin Republican Rep. Bill Steiger and Wyoming Republican Sen. Clifford Hansen, the two main sponsors of an important capital gains tax cut in 1978.

What the Reagan Revolution did was to move America toward lower, flatter tax rates, sound money, freer trade and less regulation. The key to Reaganomics was to

change people's behavior with respect to working, investing and producing. To do this, personal income tax rates not only decreased significantly, but they were also indexed for inflation in 1985. The highest tax rate on “unearned” (i.e., non-wage) income dropped to 28% from 70%. The corporate tax rate also fell to 34% from 46%. And tax brackets were pushed out, so that taxpayers wouldn't cross the threshold until their incomes were far higher.

Changing tax rates changed behavior, and changed behavior affected tax revenues. Reagan understood that lowering tax rates led to static revenue losses. But he also understood that lowering tax rates also increased taxable income, whether by increasing output or by causing less use of tax shelters and less tax cheating.

Moreover, Reagan knew from personal experience in making movies that once he was in the highest tax bracket, he'd stop making movies for the rest of the year. In other words, a lower tax rate could increase revenues. And so it was with his tax cuts. The highest 1% of income earners paid more in taxes as a share of GDP in 1988 at lower tax rates than they had in 1980 at higher tax rates. To Reagan, what's been called the “Laffer Curve” (a concept that originated centuries ago and which I had been using without the name in my classes at the University of Chicago) was pure common sense.

There was also, in Reagan's first year, his response to an illegal strike by federal air traffic controllers. The president fired and replaced them with military personnel until permanent replacements could be found. Given union power in the economy, this was a dramatic act—especially considering the well-known fact that the air traffic controllers union, Patco, had backed Reagan in the 1980 presidential election.

On the regulatory front, the number of pages in the Federal Register dropped to less than 48,000 in 1986 from over 80,000 in 1980. With no increase in the minimum wage over his full eight years in office, the negative impact of this price floor on employment was lessened.

And, of course, there was the decontrol of oil markets. Price controls at gas stations were lifted in January 1981, as were well-head price controls for domestic oil producers. Domestic output increased and prices fell. President Carter's excess profits tax on oil companies was repealed in 1988.

The results of the Reagan era? From December 1982 to June 1990, Reaganomics created over 21 million jobs—more jobs than have been added since. Union membership and man-hours lost due to strikes tumbled. The stock market went through the roof. From July 1982 through August 2000, the S&P 500 stock price index grew at an average annual real rate of over 12%. The unfunded liabilities of the Social Security system declined as a share of GDP, and the “misery index” fell to under 10%.

Even Reagan's first Democratic successor, Bill Clinton, followed in his footsteps. The negotiations for what would become the North American Free Trade Agreement began in Reagan's second term, but it was President Clinton who pushed the agreement through Congress in 1993 over the objections of the unions and many in his own party.

President Clinton also signed into law the biggest capital gains tax cut in our nation's history in 1997. It effectively eliminated any capital gains tax on owner-occupied homes. Mr. Clinton reduced government spending as a share of GDP by 3.5 percentage points, more than the next four best presidents combined. Where Presidents George H.W. Bush and Bill Clinton slipped up was on personal income tax rates—allowing the highest personal income tax rate to eventually rise to 39.6% from 28%.

The true lesson to be learned from the Reagan presidency is that good economics isn't Republican or Democrat, right-wing or left-wing, liberal or conservative. It's simply good economics. President Barack Obama should take heed and not limit his vision while seeking a workable solution to America's tragically high unemployment rate.

SPECIAL COMMITTEE ON AGING RULES OF PROCEDURE

Mr. KOHL. Mr. President, I ask unanimous consent that the Special Committee on Aging rules for the 112th Congress be printed in the RECORD.

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

SPECIAL COMMITTEE ON AGING

JURISDICTION AND AUTHORITY

*S. Res. 4, § 104, 95th Congress, 1st Session (1977)*¹

(a)(1) There is established a Special Committee on Aging (hereafter in this section referred to as the "special committee") which shall consist of nineteen Members. The Members and chairman of the special committee shall be appointed in the same manner and at the same time as the Members and chairman of a standing committee of the Senate. After the date on which the majority and minority Members of the special committee are initially appointed on or affect the effective date of title I of the Committee System Reorganization Amendments of 1977, each time a vacancy occurs in the Membership of the special committee, the number of Members of the special committee shall be reduced by one until the number of Members of the special committee consists of nine Senators.

(2) For the purposes of paragraph 1 of rule XXV; paragraphs 1, 7(a)(1)–(2), 9, and 10(a) of rule XXVI; and paragraphs 1(a)–(d), and 2(a) and (d) of rule XXVII of the Standing Rules of the Senate; and the purposes of section 202(I) and (j) of the Legislative Reorganization Act of 1946, the special committee shall be treated as a standing committee of the Senate.

(b)(1) It shall be the duty of the special committee to conduct a continuing study of any and all matters pertaining to problems and opportunities of older people, including, but not limited to, problems and opportunities of maintaining health, of assuring adequate income, of finding employment, of engaging in productive and rewarding activity, of securing proper housing, and when necessary, of obtaining care or assistance. No proposed legislation shall be referred to such committee, and such committee shall not have power to report by bill, or otherwise have legislative jurisdiction.

(2) The special committee shall, from time to time (but not less than once year), report to the Senate the results of the study conducted pursuant to paragraph (1), together with such recommendation as it considers appropriate.

(c)(1) For the purposes of this section, the special committee is authorized, in its discretion, (A) to make investigations into any matter within its jurisdiction, (B) to make expenditures from the contingent fund of the Senate, (C) to employ personnel, (D) to hold hearings, (E) to sit and act at any time or place during the sessions, recesses, and adjourned periods of the Senate, (F) to require, by subpoena or otherwise, the attendance of witnesses and the production of correspondence books, papers, and documents, (G) to take depositions and other testimony, (H) to procure the serve of individual consultants or organizations thereof (as authorized by section 202(I) of the Legislative Reorganiza-

tion Act of 1946, as amended) and (I) with the prior consent of the Government department or agency concerned and the Committee on Rules and Administration, to use on a reimbursable basis the services of personnel of any such department or agency.

(2) The chairman of the special committee or any Member thereof may administer oaths to witnesses.

(3) Subpoenas authorized by the special committee may be issued over the signature of the chairman, or any Member of the special committee designated by the chairman, and may be served by any person designated by the chairman or the Member signing the subpoena.

(d) All records and papers of the temporary Special Committee on Aging established by Senate Resolution 33, Eighty-seventh Congress, are transferred to the special committee.

RULES OF PROCEDURE

I. CONVENING OF MEETINGS

1. MEETINGS. The Committee shall meet to conduct Committee business at the call of the Chairman. The Members of the Committee may call additional meetings as provided in Senate Rule XXVI (3).

2. NOTICE AND AGENDA:

(a) WRITTEN NOTICE. The Chairman shall give the Members written notice of any Committee meeting, accompanied by an agenda enumerating the items of business to be considered, at least 5 days in advance of such meeting.

(b) SHORTENED NOTICE. A meeting may be called on not less than 24 hours notice if the Chairman, with the concurrence of the Ranking Minority Member, determines that there is good cause to begin the meeting on shortened notice. An agenda will be furnished prior to such a meeting.

3. PRESIDING OFFICER. The Chairman shall preside when present. If the Chairman is not present at any meeting, the Ranking Majority Member present shall preside.

II. CONVENING OF HEARINGS

1. NOTICE. The Committee shall make public announcement of the date, place and subject matter of any hearing at least one week before its commencement. A hearing may be called on not less than 24 hours notice if the Chairman, with the concurrence of the Ranking Minority Member, determines that there is good cause to begin the hearing on shortened notice.

2. PRESIDING OFFICER. The Chairman shall preside over the conduct of a hearing when present, or, whether present or not, may delegate authority to preside to any Member of the Committee.

3. WITNESSES. Witnesses called before the Committee shall be given, absent extraordinary circumstances, at least forty-eight hours notice, and all witnesses called shall be furnished with a copy of these rules upon request.

4. OATH. All witnesses who testify to matters of fact shall be sworn unless the Committee waives the oath. The Chairman, or any Member, may request and administer the oath.

5. TESTIMONY. At least 72 hours in advance of a hearing, each witness who is to appear before the Committee shall submit his or her testimony by way of electronic mail, in a format determined by the Committee and sent to an electronic mail address specified by the Committee, unless the Chairman and Ranking Minority Member determine that there is good cause for a witness's failure to do so. A witness shall be allowed no more than ten minutes to orally summarize his or her prepared statement. Officials of the federal government shall file 100 copies of such statement with the clerk of the Committee

72 hours in advance of their appearance, unless the Chairman and the Ranking Minority Member determine there is good cause for noncompliance.

6. COUNSEL. A witness's counsel shall be permitted to be present during his testimony at any public or closed hearing or depositions or staff interview to advise such witness of his or her rights, provided, however, that in the case of any witness who is an officer or employee of the government, or of a corporation or association, the Chairman may rule that representation by counsel from the government, corporation, or association creates a conflict of interest, and that the witness shall be represented by personal counsel not from the government, corporation, or association.

7. TRANSCRIPT. An accurate electronic or stenographic record shall be kept of the testimony of all witnesses in closed sessions and public hearings. Any witness shall be afforded, upon request, the right to review that portion of such record, and for this purpose, a copy of a witness's testimony in public or closed session shall be provided to the witness. Upon inspecting his or her transcript, within a time limit set by the committee clerk, a witness may request changes in testimony to correct errors of transcription, grammatical errors, and obvious errors of fact. The Chairman or a staff officer designated by him shall rule on such request.

8. IMPUGNED PERSONS. Any person who believes that evidence presented, or comment made by a Member or staff, at a public hearing or at a closed hearing concerning which there have been public reports, tends to impugn his or her character or adversely affect his or her reputation may:

(a) file a sworn statement of facts relevant to the evidence or comment, which shall be placed in the hearing record; and

(b) request the opportunity to appear personally before the Committee to testify in his or her own behalf.

9. MINORITY WITNESSES. Whenever any hearing is conducted by the Committee, the Ranking Member shall be entitled to call at least one witness to testify or produce documents with respect to the measure or matter under consideration at the hearing. Such request must be made before the completion of the hearing or, if subpoenas are required to call the minority witnesses, no later than three days before the hearing.

10. CONDUCT OF WITNESSES, COUNSEL AND MEMBERS OF THE AUDIENCE. If, during public or executive sessions, a witness, his or her counsel, or any spectator conducts him or herself in such a manner as to prevent, impede, disrupt, obstruct, or interfere with the orderly administration of such hearing the Chairman or presiding Member of the Committee present during such hearing may request the Sergeant at Arms of the Senate, his representative or any law enforcement official to eject said person from the hearing room.

III. CLOSED SESSIONS AND CONFIDENTIAL MATERIALS

1. PROCEDURE. All meetings and hearings shall be open to the public unless closed. To close a meeting or hearing or portion thereof, a motion shall be made and seconded to go into closed discussion of whether the meeting or hearing will concern Committee investigations or matters enumerated in Senate Rule XXVI(5)(b). Immediately after such discussion, the meeting or hearing or portion thereof may be closed by a vote in open session of a majority of the Members of the Committee present.

2. WITNESS REQUEST. Any witness called for a hearing may submit a written request to the Chairman no later than twenty-four