know they have developed a close working relationship with my staff throughout the year, and I am sincerely grateful for their dedicated efforts.

I thank my own staff on the HELP Committee, who have spent many a night, long days, and weekends with Senator ENZI's staff and other Members' offices working to come to consensus on the critical policy issues in this legislation.

I thank our staff director, Dan Smith; his assistant, Pam Smith, who, by the way, will be very shortly taking over as our new staff director. Dan Smith is leaving our staff and going into the private sector. Pam Smith will be taking over as our new staff director. I also thank Jenelle Krishnamoorthy, who heads our health division, for all of the tireless work she has put in. I can't thank her enough for all her hard work. I also thank Elizabeth Jungman, Bill McConagha, Kathleen Laird, Kathleen Wise, Dan Goldberg, Justine Sessions, Kate Frischmann, Elizabeth Donovan, Lory Yudin, Frank Zhang, and Evan Griffis. Each of them has done a remarkable job. I thank them from the bottom of my heart for getting this legislation through.

We would be remiss if we didn't also thank the Congressional Budget Office for their knowledgeable and capable team that was willing to work around the clock to estimate the budgetary effects of this legislation.

Finally, we owe an enormous debt of gratitude to the staff members in the Legislative Counsel's Office. They too worked long hours, nights and weekends, to assist my staff in drafting this critical legislation and working out technical issues.

This bill's passage is a victory for the millions of Americans who need medicines or medical devices—a victory that would not have been possible without the dedicated work of our Senate family. I thank all of you for your extraordinary public service.

STOP THE STUDENT LOAN INTEREST RATE HIKE ACT OF 2012

The PRESIDING OFFICER. Under the previous order, the Senate will proceed to S. 2343, which the clerk will report.

The legislative clerk read as follows:

A bill (S. 2343) to amend the Higher Education Act of 1965 to extend the reduced interest rate for Federal Direct Stafford Loans, and for other purposes.

The PRESIDING OFFICER. Under the previous order, there will be 10 minutes of debate equally divided and controlled between the two leaders or their designees.

The Republican leader.

Mr. MCCONNELL. Madam President, we are in a rather ridiculous staring contest, waiting for our Democratic friends to offer a proposal that can actually pass when we already have one right in front of us. We have wasted actually 2 weeks on this student loan issue for no good reason. Neither I nor the ranking member has heard a word from the Democrats on how they propose to resolve the issue and actually prevent the interest rate from rising.

As we learned earlier this week, the President doesn't seem to even talk to his committee chairmen anymore. All of this suggests that the White House doesn't want to solve the problem; that it would rather allow these rates to double in a few weeks so he can run around all summer pointing the finger at those Republicans in the Senate.

I would still like to believe that is not the case. We had a chance to talk to the President about this and other issues last week down at the White House. I am convinced he would like to get a solution. Yet the fact is, all he would have to do is simply pick up the phone and tell the Democratic leadership that we would like to get this done, and I am pretty confident we could work it out. Unfortunately, we cannot just wait around hoping the President is going to pick up the phone. College students cannot wait either. They want us to resolve the issue now, and I know we can.

To move the ball forward, I would say to my colleague, the majority leader, if he agrees with me—Senator HARKIN and Senator ENZI just did a good job with coming up with a bipartisan solution to the FDA bill. I am confident they could do the same thing on the student loan issue. They are the chairman and the ranking member of the committee that oversees student loan legislation. I have a lot of confidence in their ability to do it.

I am going to proffer a consent agreement that I think would allow us to go forward. My colleague from Tennessee will take the balance of our time after I have concluded.

I ask unanimous consent that following the conclusion of the two scheduled votes on the student loan bill, which we are about to have, the next order of business be a Harkin-Enzi bill dealing with the issue of the current student loan rate; provided further that no motion to proceed to other items be in order unless agreed to by both leaders.

The purpose of this consent agreement I have just proffered is to allow Senator HARKIN and Senator ENZI to negotiate on this important issue, the increase in the student loan rates, and to keep the Senate focused on how to resolve this issue in a timely way before the rate goes up. The bill they would negotiate would be the next order of business, but it would also provide that both leaders could agree to allow the Senate to work on other measures if necessary as those student loan discussions continue.

The PRESIDING OFFICER. Is there objection?

Mr. REID. I am going to use the leader time, not the 5 minutes we were allocated.

Madam President, we have all heard of reverse engineering. What we just heard is reverse reasoning. This is one of the most interesting things I have heard—that makes no sense. We have been trying to get on this bill for weeks. The Republicans have refused to allow us to get on the bill.

The student loan issue is important. We should have already completed this—had we been allowed to get on the bill—but we were not allowed to get on the bill. We were faced with one of our many filibusters—scores of them. Not one, two, three or four, scores of them. This is another example of them stopping us from legislating on a bill. Now to come here and say we could have been doing something—my friend knows the rules of this Senate as well as I do. He knows his suggestion is absurd.

I object.

The PRESIDING OFFICER. Objection is heard.

AMENDMENT NO. 2153

Mr. MCCONNELL. On behalf of Senator ALEXANDER I call up amendment No. 2153.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Kentucky [Mr. MCCONNELL], for Mr. ALEXANDER, for himself, Mr. MCCONNELL, Mr. ENZI, Mr. BARRASSO, Mr. BLUNT, Mr. COATS, Mr. COCHRAN, Mr. CORNYN, Mr. HELLER, Mr. INHOFE, Mr. ISAKSON, Mr. JOHANNS, Mr. ROBERTS, Mrs. HUTCHISON, Mr. RUBIO, and Ms. AYOTTE, proposes an amendment numbered 2153.

The amendment is as follows:

(Purpose: In the nature of a substitute)

Strike all after the enacting clause and insert the following:

SECTION 1. SHORT TITLE.

This Act may be cited as the ''Interest Rate Reduction Act''.

SEC. 2. INTEREST RATE EXTENSION.

Subparagraph (D) of section 455(b)(7) of the Higher Education Act of 1965 (20 U.S.C. 1087e(b)(7)(D)) is amended—

(1) in the matter preceding clause (i), by striking ''2012'' and inserting ''2013''; and

(2) in clause (v), by striking ''2012'' and inserting ''2013''.

SEC. 3. REPEALING PREVENTION AND PUBLIC HEALTH FUND.

(a) IN GENERAL.—Section 4002 of the Patient Protection and Affordable Care Act (42 U.S.C. 300u–11) is repealed.

(b) RESCISSION OF UNOBLIGATED FUNDS.—Of the funds made available by such section 4002, the unobligated balance is rescinded.

SEC. 4. COMPLIANCE WITH STATUTORY PAY-AS-YOU-GO ACT OF 2010.

The budgetary effects of this Act, for the purpose of complying with the Statutory Pay-As-You-Go Act of 2010, shall be determined by reference to the latest statement titled ''Budgetary Effects of PAYGO Legislation'' for this Act, submitted for printing in the Congressional Record by the Chairman of the Senate Budget Committee, provided that such statement has been submitted prior to the vote on passage.

The PRESIDING OFFICER. The Senator from Tennessee.

Mr. ALEXANDER. Madam President, on July 1, 7 million students getting new loans to go to college, the rate for interest will go from 3.4 to 6.8. This is an amendment to get a result. This is the House-passed bill. President Obama says he wants to freeze the rate for a year. Governor Romney says he wants to freeze the rate for a year. The House of Representatives has voted to freeze the rate for a year. A vote yes on the House-passed bill will permit us to send it to them and quickly send it to the President, he will sign it, and we solve the problem.

The PRESIDING OFFICER. The Senator from Iowa.

Mr. HARKIN. Mr. President, while I appreciate the confidence the Republican leader has in the ability of Mr. ENZI and me to get things done, frankly, we are confronted now with two votes. Which way do we want to go? What they are proposing is that we totally end, totally eliminate all of the prevention and wellness money that we have out there in the wellness fund.

What would this do? We have vaccinations for children, immunizations, smoking cessation programs, colorectal screenings, diabetes prevention, breast cancer screening, obesity prevention—all funded by this Prevention and Wellness Fund. Not one of those would be funded from that fund if that amendment passes.

The choice is very clear on the two amendments we have coming up. We can either vote to close a tax loophole that allows wealthy tax dodgers not to pay their fair share of taxes—we can close that loophole and keep the interest rates at 3.4 percent—or, as the Republicans want to do, totally eliminate the Wellness and Prevention Fund and end the money that we are putting into diabetes prevention and breast cancer and colorectal screening and all the things I mentioned.

I do not think the choice could be more clear to the American people about the direction we ought to go. Close the tax loophole. Keep the prevention fund in there. Keep our people healthy.

The PRESIDING OFFICER. The Senator from Tennessee.

Mr. ALEXANDER. Mr. President, we have 2 minutes left. I will use one of them.

Our friends on the other side have their usual solution to almost any problem: Let's put some more taxes on small business men and women in America during a time of the greatest recession we have had.

We have a better idea for how to pay for this bill. We will take some of the savings the Congressional Budget Office said they found when they took over the student health program in the health care bill—instead of giving the students the benefit of those savings, they spent it on government. They spent $8.3 billion on the health care bill. We will give back to the students enough money to pay for this freezing of the rate.

We will not tax the small businesspeople. We will have a little left over, and we will reduce the debt. Then we can send our bill to the House, they will pass it like that, send it to the President, and the problem is solved.

The PRESIDING OFFICER. The Senator from Rhode Island.

Mr. REED. Madam President, as Senator HARKIN pointed out, the Republican proposal goes right to the heart of prevention, and that will have two effects. It will deny critical services to families all across this country, and it will do something else—it will deny us the chance to bend that proverbial cost curve. If we do not control those costs, we will be in a fiscal disaster. The proposal they are making does not make sense. We have proposed to close a tax loophole that has been described by the Treasury inspector general for tax administration as a multibillion-dollar employment tax shelter.

We have restricted it to the people who are receiving over $200,000 a year. This is not small business men and women. This is not the corner hardware store. These are lobbyists. These are lawyers who have craftily used subchapter S corporations to avoid paying payroll taxes.

This loophole has been criticized on the editorial pages of the Wall Street Journal. This is no ''just raise taxes.'' This is trying to find a loophole which has been criticized by the right as well as the left to pay for and ensure that we do not double the interest rate on students. I cannot think of a clearer choice: Reject the Republican proposal; accept our proposal; do not allow the subsidized student loan interest rate to rise on July 1.

The PRESIDING OFFICER. The Senate will be in order. The Senator from Tennessee.

Mr. ALEXANDER. How much time is remaining?

The PRESIDING OFFICER. There is 1 minute 20 seconds.

Mr. ALEXANDER. It is reassuring to me my friend on the other side of the aisle is reading the editorial pages of the Wall Street Journal. I am sure that will have some constructive benefit over the next several months. But here is the bottom line, a result. This is the same as the House-passed bill which freezes interest at 3.4 percent for a year. We send it to the House, down to the President, he signs it, the problem is solved. Instead of raising taxes on small businesspeople, we give back to students the money they should have had the benefit of when the other side took over the whole student loan program before.

If you want a result, please vote yes. If you want more debate and delay, vote no.

The PRESIDING OFFICER. The Senator from Iowa.

Mr. HARKIN. The President has already said if the Republican measure were to pass and sent to him, he would veto it. That is a nonstarter. Surely my friend from Tennessee does not want to cut out all of this funding that we do for hepatitis screening and colorectal screening, diabetes prevention, vaccination for our kids, all of which are funded. All of that would be ended by their amendment.

I do not know what my friend is talking about in terms of student money and this and that. Their provision takes all of this money out of the Prevention and Wellness Fund. That is not what we want. We do not want to keep our kids from getting vaccinations or hepatitis screening or diabetes prevention in order to keep the interest rates low. Let's close the tax loophole that has been talked about, that both Senator REID from Nevada and Senator REED from Rhode Island talked about. Close that tax loophole and send it to the President. He will sign it. That way we will keep the interest rates down at 3.4 percent and not allow them to double on July 1.

The PRESIDING OFFICER. Who seeks recognition?

Mr. REID. Has all time expired?

The PRESIDING OFFICER. The minority has 35 seconds and the majority 38 seconds.

Mr. ALEXANDER. Our case is so compelling, Mr. President. We yield back the rest of our time.

The PRESIDING OFFICER. The majority leader.

Mr. REID. Time has been yielded back. We think there will be two more votes. I can't say there will be no more votes. We have a few more items to be worked out, such as flood insurance. I can't give everyone that assurance at this time.

I ask for the yeas and nays.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Kentucky.

Mr. CONRAD. I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The clerk will call the roll.

The legislative clerk called the roll.

Ms. SNOWE (when her name was called). Present.

Mr. DURBIN. I announce that the Senator from Connecticut (Mr. BLUMENTHAL) is necessarily absent.

Mr. KYL. The following Senators are necessarily absent: the Senator from Texas (Mrs. HUTCHISON) and the Senator from Illinois (Mr. KIRK).

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

The result was announced—yeas 34, nays 62, as follows:

[Rollcall Vote No. 112 Leg.]

YEAS—34

Alexander	Enzi	Murkowski
Ayotte	Graham	Portman
Barrasso	Grassley	Risch
Blunt	Hatch	Roberts
Boozman	Heller	Rubio
Brown (MA)	Hoeven	Sessions
Chambliss	Isakson	Shelby
Coats	Johanns	Thune
Cochran	Kyl	Vitter
Collins	Lugar	Wicker
Cornyn	McCain	
Crapo	McConnell	

NAYS—62

Akaka	Begich	Bingaman
Baucus	Bennet	Boxer

Brown (OH)	Johnson (SD)	Nelson (FL)
Burr	Johnson (WI)	Paul
Cantwell	Kerry	Pryor
Cardin	Klobuchar	Reed
Carper	Kohl	Reid
Casey	Landrieu	Rockefeller
Coburn	Lautenberg	Sanders
Conrad	Leahy	Schumer
Coons	Lee	Shaheen
Corker	Levin	Stabenow
DeMint	Lieberman	Tester
Durbin	Manchin	Toomey
Feinstein	McCaskill	Udall (CO)
Franken	Menendez	Udall (NM)
Gillibrand	Merkley	Warner
Hagan	Mikulski	Webb
Harkin	Moran	Whitehouse
Inhofe	Murray	Wyden
Inouye	Nelson (NE)	

ANSWERED ''PRESENT''—1

Snowe

NOT VOTING—3

Blumenthal	Hutchison	Kirk

The amendment was rejected.

Mr. INHOFE. Mr. President, while the Republican alternative was definitely better than the Democrat-endorsed proposal, at the end of the day, neither option presented a long term answer to the impending rise in student loan interest rates.

In 2007, Congress passed the College Cost Reduction and Access Act, which I opposed. This legislation used a stepped reduction of interest rates for subsidized Stafford loans, from 6.8 percent to the current 3.4 percent. Also as a part of this law, these rates are scheduled to reset to the original 6.8 percent on July 1. So for five years, we have known this day was coming. A one-year extension of the current interest rate is merely a six billion dollar temporary fix. It would simply postpone finding an actual solution to the problem of college affordability. Congress has gotten too comfortable with band aid fixes: payments to physicians, the Highway bill, and flood insurance being recent examples. It is because of increased government intervention that we continually find ourselves in this predicament. With every government takeover, whether it is education, health care, or the EPA, the result is less competition, less consumer choice, and less innovation.

Mr. President, I understand the importance and value of a good education. My wife was a teacher, and my two daughters became teachers as well, one even at a university. I also commend the efforts of all students who strive to achieve a higher education and improve their lives, especially those struggling through financial burdens. However, we owe it to these students to address the problem, not just put a band aid on it.

The PRESIDING OFFICER. The majority leader is recognized.

EXTENSION OF THE NATIONAL FLOOD INSURANCE PROGRAM

Mr. REID. Mr. President, as we have noted on the floor many times in the last few days, the Flood Insurance Program covers almost 6 million people. It was set to expire next week. If it were to expire, new housing construction would stall—in fact, it may come to a halt—real estate transactions would come to a screaming halt, and taxpayers would be on the hook for future disasters. We have no choice. We have to get this done.

I appreciate the work of Chairman JOHNSON, Ranking Member SHELBY, the chairman of the subcommittee, Senator TESTER, and Ranking Member VITTER. I also appreciate the work that was put into this effort by Senator COBURN, who worked closely with Senator SCHUMER, and we were able to get this extension done. I am grateful for everyone's help. It was team work that got us where we are.

Mr. President, I ask unanimous consent that the Senate proceed to Calendar No. 407, H.R. 5740, flood insurance extension; that a Johnson of South Dakota substitute amendment, which is at the desk, be agreed to; that the bill, as amended, be read a third time and passed; and that motions to reconsider be laid upon the table, with no intervening action or debate. And if anyone has anything to say about this, they can put it in the RECORD.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

The amendment (No. 2154) was agreed to, as follows:

(Purpose: In the nature of a substitute)

Strike all after the enacting clause and insert the following:

SECTION 1. EXTENSION OF THE NATIONAL FLOOD INSURANCE PROGRAM.

(a) PROGRAM EXTENSION.—Section 1319 of the National Flood Insurance Act of 1968 (42 U.S.C. 4026) is amended by striking ''the earlier of the date of the enactment into law of an Act that specifically amends the date specified in this section or May 31, 2012'' and inserting ''July 31, 2012''.

(b) FINANCING.—Section 1309(a) of the National Flood Insurance Act of 1968 (42 U.S.C. 4016(a)) is amended by striking ''the earlier of the date of the enactment into law of an Act that specifically amends the date specified in this section or May 31, 2012'' and inserting ''July 31, 2012''.

SEC. 2. EXCLUSION OF VACATION HOMES AND SECOND HOMES FROM RECEIVING SUBSIDIZED PREMIUM RATES.

(a) IN GENERAL.—Section 1307(a)(2) of the National Flood Insurance Act of 1968 (42 U.S.C. 4014(a)(2)) is amended by inserting before ''; and'' the following: '', except that the Administrator shall not estimate rates under this paragraph for any residential property which is not the primary residence of an individual''.

(b) PHASE-OUT OF SUBSIDIZED PREMIUM RATES.—Section 1308(e) of the National Flood Insurance Act of 1968 (42 U.S.C. 4015(e)) is amended—

(1) by striking ''under this title for any properties within any single'' and inserting the following: ''under this title for—

''(1) any properties within any single''; and

(2) by striking the period at the end and inserting the following: ''; and

''(2) any residential properties which are not the primary residence of an individual, as described in section 1307(a)(2), shall be increased by 25 percent each year, until the average risk premium rate for such properties is equal to the average of the risk premium rates for properties described under paragraph (1).''.

(c) EFFECTIVE DATE.—The first increase in chargeable risk premium rates for residential properties which are not the primary residence of an individual under section 1308(e)(2) of the National Flood Insurance Act of 1968, as added by this Act, shall take effect on July 1, 2012, and the chargeable risk premium rates for such properties shall be increased by 25 percent each year thereafter, as provided in such section 1308(e)(2).

SEC. 3. COMPLIANCE WITH PAYGO.

The budgetary effects of this Act, for the purpose of complying with the Statutory Pay-As-You-Go Act of 2010, shall be determined by reference to the latest statement titled ''Budgetary Effects of PAYGO Legislation'' for this Act, submitted for printing in the Congressional Record by the Chairman of the Senate Budget Committee, provided that such statement has been submitted prior to the vote on passage.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill (H.R. 5740), as amended, was read the third time was passed.

STOP THE STUDENT LOAN INTEREST RATE HIKE ACT OF 2012—Continued

Mr. REID. Mr. President, this will be the last vote coming up. No speeches. We will start voting.

The PRESIDING OFFICER. The clerk will read the bill for the third time.

The bill was ordered to be engrossed for a third reading and was read the third time.

Mr. CORKER. Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There appears to be a sufficient second.

The bill having been read the third time, the question is, Shall the bill pass?

The clerk will call the roll.

The legislative clerk called the roll.

Ms. SNOWE (when her name was called). Present.

Mr. DURBIN. I announce that the Senator from Connecticut (Mr. BLUMENTHAL) is necessarily absent.

Mr. THUNE. The following Senators are necessarily absent: the Senator from Wyoming (Mr. ENZI), the Senator from Texas (Mrs. HUTCHISON), the Senator from Illinois (Mr. KIRK), and the Senator from Arizona (Mr. KYL).

The result was announced—yeas 51, nays 43, as follows:

[Rollcall Vote No. 113 Leg.]

YEAS—51

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