

MEASURE PLACED ON
CALENDAR—S. 2105

Mr. REID. Madam President, there is a bill due for a second reading, S. 2105.

The ACTING PRESIDENT pro tempore. The clerk will read the bill by title for the second time.

The assistant legislative clerk read as follows:

A bill (S. 2105) to enhance the security and resiliency of the cyber and communications infrastructure of the United States.

Mr. REID. Madam President, I object to any further proceedings with respect to this bill at this time.

The ACTING PRESIDENT pro tempore. Objection is heard.

The bill will be placed on the calendar.

Mr. REID. Madam President, I suggest the absence of a quorum.

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

The assistant legislative clerk proceeded to call the roll.

Mrs. HUTCHISON. 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 President, I ask unanimous consent that the order for the quorum call be rescinded.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.

RESERVATION OF LEADER TIME

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

MORNING BUSINESS

The ACTING PRESIDENT pro tempore. Under the previous order, the Senate will be in a period of morning business until 12 noon, with Senators permitted to speak therein for up to 10 minutes each and with the time equally divided and controlled between the two leaders or their designees, with the Republicans controlling the first 30 minutes and the majority controlling the second 30 minutes.

SURFACE TRANSPORTATION ACT

Mrs. HUTCHISON. Madam President, I wish to comment on the remarks of the leader just a few minutes ago.

I came to talk about the budget, which I want to do, that was produced by the President. But I will say we had a vote on going to the highway bill last week and the vote was 85 to 11. So Republicans are ready to go to the highway bill.

We have talked about what a great job Senator BOXER and Senator INHOFE did in the committee, working together, to produce a bill. Senator ROCKEFELLER and I have negotiated what is a good settlement on the Commerce part of that bill, and I think we are going to have to have separate votes on the party-line committee vote that was made in Commerce and have a compromise that I think Senator ROCKEFELLER and I will both support going forward.

But I think we just need to get on it. It is just time to go. We don't need to stand here and talk about not being able to move. Let's move. Republicans are ready. Let's go.

THE BUDGET

Mrs. HUTCHISON. Madam President, I do wish to speak about the fiscal year 2013 budget that came out this week from the President, and I guess I would start by saying here we go again. Here we go again.

We have another budget given to us by the President that increases spending and increases taxes to a huge extent. It is stunning, \$1.9 trillion in tax increases in the President's proposal over the next decade.

Instead of coming forward and giving responsible solutions to a \$1 trillion annual deficit—which is what we have, \$1 trillion. My gosh, we didn't even have debt that was \$1 trillion. Now we have debt that is almost \$16 trillion, and we are talking about more deficits?

Most important, the President didn't put anything in his budget on entitlement reform. So he gave us another budget proposal that spends too much, borrows too much, and taxes too much, which is the same thing that happened last year.

The President's request proposes \$11 trillion in gross new debt—\$11 trillion in gross new debt—over the next 10 years that would make our total national debt, if we stuck to this budget, \$25.9 trillion in 2022. Oh, my gosh, \$25.9 trillion, and we are talking about this as a serious proposal? These numbers are untenable. It is a path that is unthinkable for this country.

So \$1.4 trillion of the President's proposed tax increases over the next decade would fall on individuals. The budget that the President put forward explicitly states: Immediate broad tax cuts for the middle class are far more effective at creating jobs and growing the economy. I would agree with that. Broad tax cuts for the middle class would be effective at creating jobs and growing the economy.

But the President fails to acknowledge where the tax increases fall. It is on the people who own and work in small businesses, and they are the ones who have the ability to hire if we would let them.

According to the Joint Committee on Taxation, 50 percent of all flowthrough business income will be subject to the proposed tax increases. The National Federation of Independent Business reports that 75 percent of small businesses pay taxes on their business income at the individual tax rate because they are organized as flowthrough businesses, such as partnerships, S corporations, LLCs, and sole proprietorships. So the President is going to the heart of the potential hiring in our economy; that is, small business, and they are going to increase taxes.

I would say the constant drumbeat of this administration for new taxes is

putting a blanket on present-day potential hiring. It is putting a blanket on growth because our small businesses see the President continuing to come forward again and again and again and talk about new taxes on the people who could create jobs.

Incredibly, the \$1 trillion in new taxes doesn't even pay down the debt. It doesn't lower the deficit. The new taxes the President is proposing just increase spending. Oh, my gosh. Instead of cutting deficits and responsible spending cuts, we are talking about new taxes and new spending.

Where have we heard this before? We have heard it out of Washington, DC, for years. It is the wrong approach, and it is why we are in trouble right now with a \$15 trillion debt.

Instead, we need to have sensible spending reductions that meet the caps set under the Budget Control Act and carefully considered investments in strategic, nationally important projects that will have a long-term effect on job increases because of creativity and entrepreneurship.

We must cut spending. It is simple. That is it. We have to cut spending if we are going to get our fiscal house in order.

Most important, we need to address entitlements, which the President did not do in his budget proposal. If there is anything urgent in this country that the President should take the leadership position to do, it is a bipartisan approach to entitlement reform. Our fiscal problems are inextricably linked if we can't fix our broken entitlement system.

Today, mandatory spending—entitlements—are approximately 55 percent of our Federal budget. So we have less than half the budget in the discretionary spending that we pass appropriations for each year. If we don't take that other 50 percent and stop that growth, do you know what is going to happen?

According to the Congressional Budget Office, our mandatory spending by 2022—10 years from now—will be approximately 74 percent of total Federal spending. Over seventy percent of Federal spending will be mandatory. This is out of control.

If we are going to stop this growing deficit and debt cycle, we have to address entitlements. People are living longer than they were living when Social Security was passed in 1935, but we have not addressed that change in our demographics to make sure the program will last. The longer we put it off, the harder it is going to be. If we do not solve this problem, current and future retirees will confront a guaranteed 23 percent cut in benefits in 2036. In today's dollars, that would be a \$271 cut in a beneficiary's monthly payment. There is not anyone here who wants that to happen—we know that.

I have introduced legislation with Senator KYL, the "Defend and Save Social Security Act." It gradually increases the retirement age over 11

years—that is how gradual it is. It would go from 66 to 67 to 68 and end at 69—over 11 years. It is 3 months a year that the increase would occur, and it decreases the annual cost-of-living adjustment if it exceeds 1 percent. When inflation goes above 1 percent, the cost-of-living adjustment will kick in. So if you have rampant inflation, such as 2 or 3 percent, there will be a cost-of-living adjustment. My bill with Senator KYL will make the Social Security trust fund solvent through 2085 without raising taxes or cutting core benefits.

Saving our programs, such as Social Security and Medicare, will require bipartisan leadership. We cannot do it with one party. We cannot do it with one party because of the 30-second ad. We must do it together.

I know my time is up, and my colleague from Arkansas is on the Senate floor. I would just say that we could cut \$416 billion, nearly $\frac{1}{2}$ trillion over 10 years, if we would start addressing just Social Security right now. Let's do it with bipartisan leadership, starting with the President, the Senate, which is controlled by Democrats, and the House, which is controlled by Republicans. We will have to do it together. Let's do it.

I yield the floor.

The ACTING PRESIDENT pro tempore. The Senator from Arkansas is recognized.

Mr. BOOZMAN. Madam President, on Monday morning the country was presented with President Obama's budget proposal for the fiscal year. If you were only to listen to the President and his advisers, you would think this proposal is great for the Nation. The Acting Budget Director says the President's budget "makes the right investments." The head of the President's National Economic Council used several sports metaphors to make the case that "the President has very much stepped up to the plate," and the President himself said his budget makes "some tough choices in order to put the country back on a more sustainable fiscal path." The reason they are so excited about this proposal is that they believe, in an election year, they have offered every ally something to woo their support. This budget proposal truly does try to be everything for everyone. The problem is that no one wins with it.

When you scratch the surface of this proposal, the shine quickly wears off. The deficit reduction claims the administration throws out to defend this proposal simply do not hold water. You cannot claim \$1 trillion in cuts that Congress pushed through during the debt ceiling debate as new cuts, nor can you say with all honesty that \$850 billion in war savings are real cuts. This money was never going to be spent in the first place.

When you get down to it, President Obama was never serious about his pledge to cut the deficit in half by the end of his first term. Like every budget this administration has proposed, this

one was written with red ink. The deficit spending proposed in the President's fiscal year 2013 budget topped \$1 trillion again. This is simply an unsustainable rate of spending.

On Monday, the President's team was doing a full-scale PR push for that budget. At one point during the rollout, a reporter asked the President's top economic aides what ever happened to that pledge the President had made to the American people. Gone from their answers was the tough talk about making difficult decisions and facing challenges we have long neglected. Instead, his advisers were left to pull out the old standby excuse that the President's team simply did not realize how bad the economy actually was when they first took over.

Clearly, they still do not realize it now. Not only does the President's budget ignore the very real disarray our fiscal house is in, it makes it worse. Since President Obama took office, our national debt has shot up 42 percent. Under President Obama's watch, the national debt has jumped to a jaw-dropping \$15.1 trillion. This is the fourth year in a row that the budget would run a deficit above \$1.29 trillion. When it comes to fiscal responsibility, this is not a record of which to be proud.

America deserves better than a collection of tax hikes, phony savings, and additional debt. The President's budget proposal is bad for seniors, as it takes no steps to protect and strengthen Medicare and Social Security. It will hurt the chances of an economic recovery through tax hikes and will add \$11 trillion more to our already staggering national debt in a 10-year period. We cannot continue to keep going down this road. America's fiscal health is at stake. We have to stop spending more than we take in. If not, we risk going in the direction of Greece, Portugal, Italy, and other European countries that have spent their way to the brink of default.

As we head into the final year of President Obama's first term, we have already witnessed the most rapid increase in debt under any U.S. President. With our national debt already the size of our entire economy, the President has proposed a budget that calls for hundreds of billions of dollars in new spending. If we follow through with this budget, deficit spending would exceed \$600 billion every year but one over the next decade. Our national debt would grow to \$18.7 trillion.

President Obama would like you to believe that if we simply raise taxes we can solve all of our fiscal problems. A recent CBO report shows that spending is the primary cause of our fiscal crisis and supports spending cuts rather than tax increases to reverse the trend. But the President is holding steadfast to his desire to raise taxes as an answer. The President's failed policy of borrowing, spending, and taxing is just what the CBO is warning us to avoid. It has not worked in the past, and it will not work in the future.

Washington does not have a revenue problem, Washington has a spending problem. The fact that President Obama still believes we can tax our way out of the problem reveals a huge disconnect with the American people. When it comes to our country's budget, Americans have a right to expect accountability, honesty, and responsibility. This proposal has none of those.

If President Obama refuses to acknowledge and address the very real economic crisis facing our country, let's show America that we will. We can do so by rejecting the White House's proposal and passing a responsible budget that puts our Nation back on a fiscally responsible path.

I suggest the absence of a quorum.

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

The assistant legislative clerk proceeded to call the roll.

Ms. MIKULSKI. Madam President, I ask unanimous consent that the order for the quorum call be rescinded.

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

Ms. MIKULSKI. Madam President, now what is the pending business?

The ACTING PRESIDENT pro tempore. The Senate is in a period of morning business.

SURFACE TRANSPORTATION ACT

Ms. MIKULSKI. Madam President, I wish to claim 10 minutes to speak on behalf of a bill which I hope will return to the Senate today, which is the surface transportation reauthorization bill. I hope we take it up. I hope we actually vote on it, and I hope there are not a lot of extraneous amendments that are not relevant to getting America moving again, creating jobs that result in public safety, a better environment, and people actually working. What I like about the surface transportation reauthorization bill is that, in effect, this could be the only vehicle we have that is a version of the infrastructure bank, a topic on which I know the Presiding Officer has worked assiduously.

We need an infrastructure bank. We need to have jobs in construction to build highways, byways, subways, and we can do it, but it looks as though it will be difficult to do. In the meantime, we have a regular order bill, the surface transportation reauthorization bill. This is the bill that Congress reauthorizes every couple of years to do construction on highways, byways, and beltways, and at the same time in the very important area of mass transit, something the gentelady from New York knows is important since she has one of the busiest subways in America. We have a busy subway called the Metro, and I am going to talk about that in a minute.

Right now we must pass this long-term transportation bill to put people back to work, repair our aging roads and bridges and tunnels, keep the public safe, and lower our carbon footprint. This is a bipartisan bill, and it is