

With Senator LIEBERMAN's retirement in the days ahead, a truly distinguished career in formal public service will come to an end. I use the adjective formal because it is hard to imagine that JOE LIEBERMAN will not be finding new avenues for public service as a private citizen.

Senator LIEBERMAN's career in this body will end, but our friendship will continue. I know that his smile and his gracious unfailingly gentlemanly ways will also continue. I wish JOE and Haddassah much happiness in the years ahead.

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

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

Mr. NELSON of Nebraska. 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 President, I ask unanimous consent that the order for the quorum call be rescinded.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. NELSON of Nebraska. First, I want to thank my colleague and neighbor Senator HARKIN for his timely remarks, and particularly for noting that we have been hunting partners. As a matter of fact, that has been in the news today. Not only has Senator HARKIN noted our exploits together, but in this morning's Washington Post the senior Senator from New York noted that I have taken him pheasant hunting in Nebraska as well. I am going to be known not only for my hair but perhaps for hunting as well, so I appreciate that.

Mr. HARKIN. Would the Senator yield?

Mr. NELSON of Nebraska. Of course.

Mr. HARKIN. The Senator has been a great friend. I enjoyed hunting with my friend before, and I read that in the paper before about Senator SCHUMER going out.

Here is a real test for my friend from Nebraska: Aren't I a better shot than CHUCK SCHUMER?

Mr. NELSON of Nebraska. He noted that he learned to shoot at camp and that he was a marksman, so that is probably a dispute I should not get in the middle of.

Mr. HARKIN. No, the Senator doesn't want to get in the middle of that.

Mr. NELSON of Nebraska. I thank the Senator very much for his kind remarks.

It is, obviously, a difficult time to speak about leaving the Senate, and I did that earlier. I leave with a great deal of melancholy and with a lot of friends and a lot of hope for the future of our country.

DAN INOUE

I rise today to express my support for passage of a 5-year farm bill and call on the House to act on this critical piece of legislation before Congress adjourns this year.

However, first I would like to briefly note how sorry I am at this moment—as I know we all are—about the passing of our good friend, Senator Dan Inouye. I would like to briefly reiterate the

sentiments expressed by a number of my colleagues.

Senator Inouye was a man of courage and wisdom. He represented his State and country proudly. He will be sincerely missed.

As everyone knows, today Senator Inouye lies in state just a few steps away from this Chamber. It is an honor the very few—only 31—have ever received. I feel privileged to have had the opportunity to serve with the Senator. I thank him for his friendship and guidance and offer the most sincere condolences to his family.

#### THE FARM BILL

I appreciate the opportunity to make those remarks, and I would now like to turn to the farm bill, which is a critical piece of legislation in the Senate. We produced a bipartisan bill that cuts spending by \$23 billion. Agriculture represents 2 percent of the Nation's budget, and \$23 billion represents 2 percent of the spending cuts proposed in the deficit legislation Congress worked on last year but could not pass because of extreme partisanship.

As we work in these final days to reach a deal on how best to reduce spending in government and set a trajectory for the future, I am disappointed that the House was unable, or perhaps unwilling, to follow the example the Senate has given. By moving forward in passing a farm bill, we would save money, create a market-oriented safety net, eliminate direct farm subsidy payments, streamline, simplify, and consolidate programs. It would also create jobs our economy needs to grow.

I am disappointed this is not moving forward. The House's inaction is causing a continuing uncertainty for our Nation's producers as they begin to plan for the next planting year. It also affects our financial institutions which provide lending for our farmers, ranchers, and small-town rural businesses that benefit from the commerce provided by a strong agricultural economy.

Unfortunately, this comes at a time when farms throughout the entire State of Nebraska and across the country are also dealing with the worst drought conditions since the 1930s. The Senate farm bill addresses this crisis through the elimination of subsidies, replacing them with the Agriculture Risk Coverage, or what is known as the ARC, Program. It is a program that provides producers with a market-oriented, straightforward choice to determine how best to manage their operations risks. The safety net is then bolstered by expanded access to profit shares, which serves as the focal point of risk management and will ensure that farmers are not wiped out by severe weather or economic conditions.

The Senate farm bill also reauthorizes the 2008 farm bill permanent disaster relief programs and makes them retroactive to cover producers harmed by the 2012 drought. This includes the Livestock Forage Disaster Program,

which provides compensation for the eligible livestock producers who have suffered in critical places such as Nebraska which has been hard hit by the drought and wildfires this summer, not to mention the continuing drought at this time.

I could go on regarding all the major reforms and improvements that the Senate farm bill makes to conservation, rural development, renewable fuels, in addition to the reforms of the commodities and livestock programs. However, without the House acting on any farm bill legislation—let alone the Senate bill which is a solid reform-minded bill, which strikes the right balance between the need to cut spending while maintaining a strong safety net—it will all be for naught. It is disappointing that jobs and our Nation's stable supply of food, feed, fuel, and fiber continues to be put at risk because of inactions spurred on by partisan gamesmanship.

As we seek to find commonsense solutions to the fiscal and legislative challenges before us in Congress, I urge the House to now act on the 5-year farm bill. It will help us achieve savings, bring needed reforms to commodity programs, and provide our Nation's farmers, ranchers, and rural communities the certainty they need to continue to be the world leader in agricultural production.

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

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

The legislative clerk proceeded to call the roll.

Mr. DEMINT. 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.

#### FAREWELL TO THE SENATE

Mr. DEMINT. Mr. President, I would like to give my farewell address. We spent a lot of time in my office writing out a long speech. However, once I read it, I realized it is more emotional than I thought, and we set that speech aside. Last night I made a lot of notes of what I wanted to say, and then I realized this morning that I was just trying to get the last word on a lot of the politics we have been discussing, so I set that aside and decided to speak from my heart.

Certainly, this is much more emotional than I thought, and as I look around this room, the realization that I am standing on the Senate floor speaking for the last time is a lot to digest. It makes me very appreciative of the privilege we have all been given by the American people, and particularly those who have come before us and who have given their lives for us to have the opportunity to settle our differences in a civil and democratic way. This is a great opportunity and privilege to share a few thoughts before I go on to the next phase of my life.

First, I have to give a particular thanks to my wife Debbie, who, for the last 15 years, has spent many days and nights alone as I have tried to change things in Washington. She has often reminded and questioned me how I thought I could change the world when I could not even mow the grass. But she has been a supporter and certainly so important as I left my children, who were still in school when I began serving in the House, keeping them on the right track. I particularly wanted to thank them.

All of those who serve here know that when we sign up for public life, we also sign our families up for public life. In a lot of ways it makes their lives much more difficult. So I want to thank my children, my wife Debbie, and my family for putting up with this and being so supportive of me.

I also have to thank the people of South Carolina who have entrusted me with this job in the Senate for the last 8 years, and in the House 6 years before that. All of us who serve our States know that as we travel around and meet people and tour businesses and speak to groups, it creates a deep love and appreciation for everyone back home.

I look at what we are making in South Carolina in these small businesses. When we drive by we don't know anything is even there, and then we go and find that they are making things and shipping them all over the world. It makes me very proud of what we are doing in South Carolina, and I know everyone here feels the same way about their States.

I am very appreciative that the people of South Carolina have given me this opportunity. I am very grateful to my colleagues whom I have often scrapped with on a lot of issues. I appreciate their patience. I think I can leave claiming to have good friends who are Democrats and Republicans.

I am particularly grateful for a lot of the new Senators. Some are sitting here today. I have had the opportunity to work with the folks in their States around the country. Their respective States have elected some new people to the Senate who are bringing the right ideas and some new voices to those principles that we know have made our country successful. So I feel as I leave the Senate, it is better than I found it, and that our focus now, despite the difficult challenges, is on America and how we turn America around.

I also want to spend some time thanking my staff. I have to say my greatest inspirations have come from the staff who I have had the opportunity to serve with in the House and in the Senate. As all of my colleagues know who are serving here in the Senate, this country is being run by people in their twenties and thirties who get us so busy they have to follow us to meetings to tell us where we are going and what we will be talking about. But it is incredible to see that these young people, particularly those whom I have

served with, have such a passion for our country and freedom and they are willing to put it all on the line to make a difference here. They feel a lot like my family, and I am certainly going to miss them, but it is encouraging to watch them moving to other office, taking their ideas and that courage to other places on the Hill.

I want to add my thanks to all the Hill staff, the folks sitting in the front here and those who have worked with us. I know sometimes we have pushed the envelope a little bit on things we were trying to get done, and I have seen a lot of very intelligent, active, and engaged staff all across the Hill, both Democrat and Republican, and I am very thankful for what they do.

About 15 years ago, I started campaigning for the House. I had never run for public office. At that time, I believed—and I think it still holds true today—that there were normal people such as myself and then there were politicians. I was a businessman. I had a small business for about 15 years. I had four children. I was active in my church and in the community. I had begun to see that well-motivated, well-intended government policies were making it harder for us to do the things at the community level we know actually worked. That is what I have always been about here. It really was not about politics. I had no strong political affiliation before I decided to run for office, but I saw ideas from the time I was a young person. Ideas that worked.

I actually saw this statement the other day which I wish to read because it reflects what I think a lot of us know works in our country. This is one thing I will try to read today:

I do not choose to be a common man. It is my right to be uncommon. If I can seek opportunity, not security, I want to take the calculated risk to dream and to build, to fail and to succeed. I refuse to barter incentive for dole. I prefer the challenges of life to guaranteed security, the thrill of fulfillment to the state of calm utopia. I will not trade freedom for beneficence, nor my dignity for a handout. I will never cower before any master, save my God. It is my heritage to stand erect, proud, and unafraid, to think and act for myself, enjoy the benefit of my creations, to face the whole world boldly and say, "I am a free American."

I saw this on a plaque called "The American Creed." In South Carolina, at least, we have adopted this as what we call "The Republican Creed." But it is really not a Republican idea or a political idea, it is an American idea. The ideas in this statement are ideas we all know work, and ideas we would hope for our children and everyone around us. We know there are people all around us who are having difficulty, but this idea of helping them to become independent, self-sufficient, and responsible creates the dignity and fulfillment in their life that we know we want for all Americans. This is not for a small few. This is an American idea, and it is an idea I know has worked in my life, and I have seen it work all around me.

That is what I wish to talk about for a second today; not political ideas but ideas where we can look back through history and all around us today and point to them and say, That is working. I think if we did that more here in the political sphere, we might find a lot more consensus.

As we look around the country today, we can see a lot of things that are working. Sometimes we couch them in our political rhetoric, but I can guarantee my colleagues they are not being done for political reasons at the State level; they are being done because they work and they have to get things to work at the State level.

We saw last week the State of Michigan adopted a new law that gave workers the freedom not to join a union. They didn't do it because it was politically expedient or because they thought it was a good idea. Actually, it probably will get a lot of the politicians in hot water in Michigan. But what they did is looked at 23 other States that had adopted the same idea and saw they were attracting businesses and creating jobs, and these States, without raising taxes, had more revenue to build schools and roads and hospitals. It is just an idea that worked. It is not a political idea to give people the freedom not to join a union; it is an American idea and it is an idea that works.

We can look around the country today—and, again, we make these things political and give them labels that are good or bad, depending on I guess which party one belongs to—and see that a number of States have been very innovative and creative with what they are doing with education. We see what they have done in Florida, creating more choices, and in Louisiana particularly, forced by Hurricane Katrina to start a new system, in effect. They see more choices and opportunities for parents to choose are helping low-income, at-risk kids, minority kids. We can see it working. It is not political. It is an American idea to give parents more choices to put their children in an environment where they can succeed. It is an idea that works.

We can look around the country at States that try to create a more business-friendly environment not because they are for businesses or for any political reason, or they are for special interests, but because they know the only way to get jobs and prosperity and create opportunity is to create an environment where businesses can thrive. We make it political here and we ask our constituents to make choices between employers and employees, but States such as Texas have created a business-friendly environment with lower taxes and less regulation. They have passed some laws that reduce the risk of frivolous lawsuits. What they have seen is businesses moving to their State. They have seen jobs and opportunity created not for the top 2 percent but expanding a middle class, creating

more opportunities and more tax revenues to do the things at the State government level that we all want for everyone who lives there. This is not for a few; this is for 100 percent.

We see specials now on TV comparing California and Texas, businesses moving out and delegations from California going to Texas to try to figure out why businesses are moving and families are moving there. It is not political at all. We make it political and we talk about it in political terms, but creating an environment where businesses can thrive is an American idea and it is an idea that is working. We see it all over the country, where some States are going down one road, with higher taxes, bigger government, and more spending, and they are losing to States such as Texas, and I hope more and more like South Carolina. They are moving to where they can thrive. This benefits every American.

We look at energy development and we talk about that at the national level of how it can create prosperity for our country if we open it up. We don't have to guess at whether it works. We can look at North Dakota, we can look at Pennsylvania—States that have gone around the Federal rules and figured out how to develop their own energy and are creating jobs and tax revenue for their governments. They are able to lower their taxes and use the revenue to improve everything about their States. Here we make it political and partisan, whether our country can develop more energy, but at the State level it is about what works. All we have to do is look at what works.

This is not rocket science. I came to Washington as a novice in politics, believing in the power of ideas, seeing how ideas could revolutionize different industries, can create new products and services, meeting the needs of customers everywhere. That is what I hoped we could do here in Washington. Maybe naively, I went to work in the House, often working with the Heritage Foundation, to create a better product here in Washington. I saw Social Security—and not too many people look below the surface—but we knew it was going broke. We knew people were paying for this Social Security retirement benefit, but we were spending it all. I thought, What an opportunity it would be for future generations—for my children—if we actually saved what people were putting into Social Security for their retirement, and we didn't have to do too much math to see that even for middle-class workers, Americans could be millionaires when they retired if we even kept half of what was put into Social Security for them. It seemed like a good idea to create wealth and independence for individuals in retirement, but we made it a political idea and somehow convinced Americans it was riskier to save their Social Security contribution than it was to spend it.

I am leaving the Senate to work on ideas I know work. I have seen them work all over our country. We can look

all over our country and showcase these ideas that are working. I know there is power in ideas. However, I have learned one thing about the political environment: Unless there is power behind the ideas, they will not emerge here in the Congress. There is too much pressure from the outside to maintain the status quo. No matter how much we show it is working, it won't be adopted here unless we are able to win the argument with the American people.

I spent most of my life in research and advertising and marketing and strategic planning. What I hope I can do from this point is to take these ideas and policies I know work—and the Heritage Foundation for 40 years has been creating the research and analyses that show these policies work—and what I hope I can do is to help connect those ideas with real people, real faces, and to show these people that these ideas are not theory, they are not political policies, but they are ideas that are working right in their State or the State right next to them. If we can win the arguments, if we can win the hearts and the minds of the American people with these ideas, I know we can engage them and enlist them to convince all of my colleagues here to set the politics aside, the parties aside, and to adopt those ideas that work. My hope is to make conservative ideas so pervasive, so persuasive across the country that politicians of all parties have to embrace those ideas to be elected.

I am not leaving to be an advocate for the Republican Party. I hope we can create more common ground between the political parties by showing everyone that ideas that work for their constituents and our constituents are right in front of our faces if we are willing to set aside the pressure groups, the special interests, and just focus on what is working.

Over the next few years, we are going to see more and more States doing the right things, becoming more prosperous, creating a better environment for people to live and work. We are going to see some States that will continue to raise taxes, to create more regulations, and make it harder to start businesses and be profitable in those States. They will continue to lose businesses and people. Many of those States will come to Washington and ask us to help them out from their bad decisions.

I hope at that point we can show, by pointing at these States and their right ideas, that we know the solutions at the State level and we also know we can change how we think at the Federal level and make our country work a lot better.

I leave with a lot of respect for my colleagues. I know my Democratic colleagues believe with conviction their ideas, and I know my Republican colleagues do too. But I hope we can look at the facts. I hope we can look at the real world. I hope we can look at what

is working and set aside the politics and realize what makes the country great and strong is when we move dollars and decisions out of Washington back to people and communities and States, it works not for 2 percent but for 100 percent of Americans.

I feel our customers in the Senate, at the Heritage Foundation or wherever we go are 100 percent of Americans for whom these ideas can work to build a better future and a stronger America. I am not leaving the fight. I hope to raise my game in my next phase, and I hope I can work more closely with all of you, as well as Governors and State legislators, to take these ideas and to convince Americans, as well as their legislators, their Senators, and their Congressmen, that we have the solutions all around us if we have the courage to adopt them.

I thank you for this opportunity to serve. Certainly, I will miss my relationships. But I hope we will have the opportunity to continue to work together for what is the greatest country in the world, in what I believe is a generation that could be the greatest and most prosperous generation of all if we just look to the ideas that work.

Thank you, Madam President. I thank my colleagues.

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

The PRESIDING OFFICER (Mrs. HAGAN). The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

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

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

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

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

TRIBUTES TO DEPARTING SENATORS

JOE LIEBERMAN

Mr. MCCAIN. Madam President, one of the most overused quotes about this town is Harry Truman's observation years ago that if you want a friend in Washington, go out and get a dog. I have spent a good many years here now. I suppose there is a little truth in that advice. Some Washington friendships are a little like temporary alliances between nations that for a brief period of time have mutual interests or enemies. But not all friendships here are like that, not all of them.

Today I say a formal fond farewell to a departing colleague whose friendship has been and will always be one of the greatest treasures of my life. My friend Senator JOE LIEBERMAN is retiring from the Senate after 24 years of service. Of course, he is not leaving, nor will he ever leave, the affections of those of us who have come to value him so highly as a statesman and as a friend, but we will not see him around the place as much.

His office will not be near ours. We will not hear him speak from this floor

or in committee hearings. We will not have the daily benefit of his counsel and his example. We will miss his contributions to the Senate. We will miss his good humor, his wisdom, and sincerity, especially in those moments when we find ourselves again wrapped around the axle of partisanship and politics has taken primacy over the Nation's interests, when tempers are frayed and we are consumed with putting each other at a disadvantage. That is when we will miss him the most, on those occasions when JOE's thoughtfulness and patriotism stirred him to remind us again, as he did earlier this week, that the public trust and not our party's fortunes is our most important responsibility.

JOE's presence, his wit and courtesy and kindness have improved the conviviality of our institution. But more than that, he has set an example that I think our constituents surely wish more of us would emulate. It is his conscience and devotion to America, not his party affiliation, that has inspired his work.

He has been a very accomplished legislator and a recognized leader on national security issues. He is a nationally prominent politician, majority leader in his State senate, the attorney general of the State of Connecticut, elected to the Senate of the United States four times, a vice presidential nominee in the year 2000, a candidate for President, and I should probably add nearly a nominee for vice president again.

That he managed to achieve such prominence while being the least partisan politician I know is a credit to his character and to the exemplary quality of his public service and to the public's too often frustrated desire for leaders who seek office to do something, not just to be someone.

He has been a tireless advocate for the rights of the oppressed, the misfortunate, the disenfranchised, and tireless too in his concern for the security of the United States, for the strength of our alliances, the excellence of our Armed Forces, and the global progress of our values. He came here to do justice, to love mercy, and to walk humbly with his God.

It is hard to find anyone here who does not like and admire JOE. He is impossible to dislike, even if one only knows him a little. Most of his detractors seem to be people who do not know him and who tend to view people very strictly through the perspectives of their ideology and partisan identity. The only thing to resent about JOE LIEBERMAN is that he is so damn considerate of everyone that you can find yourself feeling a little ashamed when he catches you raising your voice to someone or behaving in other ways that fall short of his unfailing graciousness.

He is not an easy example to emulate. I have fallen short of his standard more often than I care to concede. But I know, as I suspect most of us know,

that our constituents deserve and our country needs more public officials who keep their priorities in the right order, as JOE always has, and who offer their respect for their colleagues without expecting anything in return but our respect.

We spent a lot of time together, JOE and I. We have traveled many thousands of miles together. We have attended scores of international conferences together, met with dozens of world leaders, with human rights activists, and the occasional autocrat. We have visited war zones, shared the extraordinary experience with equal parts gratitude and awe of talking with and hearing from the Americans who risk everything so the rest of us may be secure in our freedom.

I have been able to study JOE at close quarters. He has never failed to impress me as a dedicated public servant, a loyal friend, a considerate gentleman, a kind soul, and very good company. I have also been privileged to witness the sincerity of his faith. I have awoken in the middle of the night on a long plane ride to find JOE in his prayer shawl, talking to the God he tries very hard to serve faithfully every day. I have witnessed the lengths he goes to always keep the Sabbath, and occasionally I have even filled in as his Shabbos goy. I have enjoyed every minute of our travels together. He is a quality human being, and time spent in his company is never wasted.

I have worked with JOE on many issues and opposed him on more than a few. But I have always been just as impressed by him when we disagree as I am when we agree. He is always the same: good natured, gracious, and intent on doing his best by the people who sent him and the country he loves.

He is leaving the Senate, and I am going to miss him a lot. But I doubt any of the many friends he has made here will let him stray far from our attention. We will still rely on his wise counsel and warm friendship. I know I will. I hope we are not done traveling together. I hope to see him in other conferences and meetings abroad. I want to go back on the road and learn from him and just pretend he has not left the place that brought us together. He is as fine a friend as I have ever had and irreplaceable in my life and I cannot let him go.

Thank you, JOE, for all you have done for me; for your many kindnesses, your counsel, your company, and for teaching me how to be a better human being. I will see you again soon.

I yield the floor

The PRESIDING OFFICER. The Senator from Wyoming.

#### THE FISCAL CLIFF

Mr. BARRASSO. Madam President, for the past several weeks I have come to the floor to talk about the fiscal cliff and the threat it poses to our economy and to our Nation. As the deadline nears, the fiscal cliff has caused a lot of concern and a lot of uncertainty around the country. It ap-

pears that too many people in Washington are not serious about real solutions to get us back on solid economic ground. The White House and Democrats in the Senate are still not focused on spending cuts. They continue ignoring the real drivers of Washington's debt.

We know what they are. They are out-of-control entitlement programs: Social Security, Medicare, and Medicaid. Until we find a way to save and strengthen these programs, no amount of tax revenue will be able to match the increases in entitlement spending. According to the latest numbers from the Congressional Budget Office, the problem is actually getting worse.

In its monthly budget review for December, the Congressional Budget Office said the budget deficit for just the first 2 months of this fiscal year was already \$292 billion. When we take a look at that and compare this pace, we will record our fifth straight year of a trillion-dollar deficit.

In just October and November alone, which are the first 2 months of this fiscal year, we are already \$300 billion in the red. Total outlays for those 2 months were \$638 billion. That is an increase of almost 4 percent over the same period 1 year ago. This increase in spending is much faster than the growth we are seeing in our economy. Defense spending is actually down about 2 percent from the first 2 months of last year. That may be the lone bright spot in the CBO's number. The problem is entitlement spending is growing even faster than the rest of government.

Social Security spending is up 6.8 percent. Medicare is up 8.1 percent. Medicaid is up over 9 percent compared to last year. Those are huge increases in just 1 year and they point straight to the problem we face. Those three programs by themselves account for 43 percent of all Washington spending for the first 2 months of this fiscal year.

Some Democrats say we cannot take steps to save and to protect these important programs for future generations. They say we cannot even discuss fixing this out-of-control spending as part of the fiscal cliff negotiations. That is unrealistic, and it is unsustainable. Without reform, we are facing the kinds of increases we see on this chart but getting worse next month and the month after that and then again beyond.

Without reform, it will keep getting worse until we drive our economy into the ground just trying to pay for these programs. There is a potential solution, and one potential solution or at least something that would help would be to adjust how we calculate entitlement benefits for inflation. As it stands now, the Bureau of Labor Statistics calculates two different versions of what is called the Consumer Price Index.

Both of these assume that a consumer buys a certain basket of goods and then they track the total cost of

that basket. A family buys a certain amount of gasoline, so much milk, so many muffins to have for breakfast and so on. The first measure is called the CPI-U, and it is what we consider the headline measure. It is what we read in the papers. It looks like what all urban consumers spend on that market basket of goods. That is why they call it the CPI-U—U is for “urban.” It is a number we use to index the tax brackets for inflation. That is how we decide what those brackets will be.

The second way they measure the CPI is called the CPI-W. That includes urban wage earners. The W is for “wage earners,” not all consumers. It also includes clerical workers and a few other professions. So it excludes anyone who is unemployed, retired, self-employed, and many other occupations. This is what the government uses for the cost-of-living adjustment to Federal benefits such as Social Security.

So we have one that they use to calculate the CPI for tax purposes and the tax brackets and the other, different, is what they use for Social Security benefits. It is very complicated. Both these systems have several problems. They both overestimate inflation. First, they assume consumers purchase the exact same basket of goods regardless of what happens to prices. So if the price of something such as muffins goes up, the CPI does not account for some consumers who will switch to toast or having something else for breakfast.

All American families understand that people change their behavior when prices change. Our understanding of inflation should take that into account. Another problem is that these versions of CPI cannot easily deal with the introduction of new products into the market. So how does something like the iPod affect consumer spending? How do we account for that, when the iPod was not in the market basket of goods before.

At what point do we start including cell phone bills or Internet access into a family's monthly expenses? It is not happening now. So we have these two different ways to measure inflation. They both have multiple flaws. As I have said, the flaws tend to overestimate the inflation people actually experience when they go to the store and they pay their bills each month.

We can see how this could be a problem over time. When the government increases what it pays based on an exaggerated inflation adjustment, the impact continues to accelerate. If we give someone an extra dollar to make up for inflation but their expenses only went up 75 cents, pretty soon all those quarters add up. It is bad fiscal policy and we actually cannot afford it anymore.

The cost-of-living adjustment should track, as closely as possible, to the actual cost of living. To address those flaws, what the Bureau of Labor Statistics has done is actually come up with a new and an improved measure for inflation.

It is called chained CPI, and it accounts for those changes in consumer choices and for new products and new technology.

If we use this version of CPI to adjust Federal benefits and tax brackets, CBO estimates that we would actually reduce the deficit by \$200 billion over the next 10 years—over \$200 billion in the next 10 years. That is the benefit of not overcompensating for inflation. The savings would be small at first, but over time they would grow, until 10 years from now we would have saved more than \$200 billion. The savings get even bigger beyond the 10 years shown here in the chart, and that is because of the impact of compounding.

Now, with budget deficits of \$1 trillion and more this year, last year, the year before, 5 years in a row, this one change to the inflation index—well, it won't wipe out the deficit on its own, but it is a start, and it is something we can do now that will pay big dividends down the road.

Of course, this isn't the only option. There are other ways to slow the increase in Social Security and make sure it is still around to take care of seniors in the future. We need to do something. Setting the cost-of-living adjustment using chained CPI is worth considering.

Now, even some Democrats have been open to this idea. According to Bob Woodward's book “The Price of Politics,” the White House was willing to look at changing the CPI as part of the so-called grand bargain last year. The Simpson-Bowles Commission included it as one of their solutions. The President himself reportedly had a version of chained CPI in his latest offer on the fiscal cliff. That is progress. It shows that some Democrats are open to serious ideas and real solutions. Because we need to do something to relieve the burden of Washington's crushing debt, this is something to consider.

More revenue is going to have to be part of the solution, and Republicans have said so. Substantial cuts in spending must be part of the answer as well. Washington does not have a revenue problem, it has a spending problem. That problem is centered on entitlement programs that are growing far too quickly. Switching to the chained CPI is a reasonable first step that we could take now to start to rein in Washington's out-of-control spending, allowing us to save and protect Social Security and Medicare for generations to come.

Madam President, I yield the floor.

THE PRESIDING OFFICER. The Senator from Pennsylvania.

Mr. CASEY. Madam President, I ask to speak as in morning business.

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

THE FARM BILL

Mr. CASEY. Madam President, I rise today to talk about the farm bill, which is typically a 5-year bill, and we hope we can achieve that once again. We know the Senate passed a farm bill

a number of months ago—actually, in June—but the House has yet to bring the bill to the floor of the U.S. House of Representatives. There is really no excuse for that. It doesn't make any sense, first and foremost, because of the impact this bill has on our economy, our farm families, the agricultural sector of our economy, and what it also means to make sure folks have enough to eat. This includes the antihunger and nutrition strategies in the farm bill as well. But, unfortunately, the House has not passed it.

I think the leadership in the House should consider why we need the farm bill to pass, and they should also consider what happened here in the Senate. We had a very bipartisan process, lots of amendments, and plenty of debate, but not some of the harsh debate we have seen in the context of other issues, and it worked very well. Not everyone got everything they wanted, and folks were willing to work together and compromise. We got a bipartisan vote in the Senate, and that is hard to achieve even on something as important as a farm bill.

I wish to commend the work that was done at that time by our chairwoman, Senator STABENOW of the State of Michigan. She led the fight, working with Senator ROBERTS. They worked together not just on the substance, but they worked together in a manner that allowed it to be bipartisan.

In my work representing the people of Pennsylvania, I have made it a priority to keep Pennsylvania's agricultural industry and our rural economy strong to support families in Pennsylvania. Agriculture is our State's largest industry. Pennsylvania's farm gate value, which is another way of describing cash receipts to growers, in the last number that we have, which is a 2010 number, was \$5.7 billion.

A lot of people who probably haven't spent much time in Pennsylvania think of it as a State of big cities and small towns, but they may miss the substantial agricultural economy we have. Agribusiness in our State is a \$46.4 billion industry, with 17.5 percent of Pennsylvanians employed in the so-called food and fiber system.

One of the questions we have to ask is, What does this all mean? Well, I think it certainly means at least that we need a 5-year farm bill, not a short-term farm bill. We do too much of that around here on other areas of public policy. We should do what we have always done in the Senate, long before I got here—pass 5-year bills with regard to the farm bill. It does create economic opportunities in rural areas, and it sustains the consumers and businesses that rely upon our rural economy.

The Senate-passed farm bill would reduce the deficit by approximately \$23 billion through the elimination of some subsidies, the consolidation of programs, and by producing greater efficiencies in the delivery mechanisms in programs.

We are having a big debate about the end of the year and the fiscal challenges we have. When you have those debates, you have to come to the table with deficit reducers, ways to reduce deficit and debt. Passage of the farm bill would be in furtherance of that goal—a \$23 billion reduction in the deficit. A short-term extension wouldn't provide the same reforms, nor would a short-term extension provide the cost savings.

When we consider what farmers and farm families have to do every day—I mean, they have to milk cows, and our dairy farmers do it so well and do it every day; they have to just do their job. Sometimes they wonder about Congress when they know we have a job to do and it doesn't get executed. We should follow their example and do our job. The House can lead on this because it is in their court, so to speak, right now, by reauthorizing the farm bill in a responsible way that helps contribute to deficit reduction.

I mentioned dairy farmers in terms of our agricultural economy in Pennsylvania. Dairy is the largest sector of that, so dairy is the largest sector of the biggest part of the Pennsylvania economy, which is agriculture. The industry generates more than \$1.5 billion in cash receipts and represents about 42 percent of our total agricultural receipts.

Dairy farmers deserve the best program possible. The Senate bill contains many improvements that I support, but right now dairy farmers don't have any program to manage their risks in a time of low prices. By the first of January, the Department of Agriculture will be obligated to implement for dairy products what we call permanent law. What this means is that prices farmers receive can almost double, but it also means higher costs to the government and consumers, as well as longer term risks of lower consumer demand and increased imports.

So we need to make sure we take steps now to prevent some of the consequences of inaction, some of the consequences of the House not moving a 5-year farm bill through their process in the House.

There are so many other important items. I will just rattle off a few of them in the context of having a 5-year farm bill, not something less.

In the Senate-passed bill, we worked to address the unique concerns of specialty crop farmers, organic farmers, and new farmers—so-called beginning farmers. We did so in a bipartisan way.

Second, I am committed—and I know a lot of folks in this Chamber are committed—to rural communities. Those in my State of Pennsylvania are too numerous to count, the number of communities that are considered rural. Part of that effort that I have to undertake—and all of us should—is to support rural development programs that provide access to capital for rural businesses to provide economic opportunities and create jobs.

We have people take the floor here all the time and talk about small businesses or businesses in general and that Congress isn't responsive enough to businesses. Often, that is true. I would hope they would walk across and give the same speech to their friends in the House that one of the best ways to help rural businesses is to pass the 5-year farm bill right away.

We know farmers are the original stewards of the land and continue to lead the charge in protecting our natural resources. I believe the voluntary conservation programs in the farm bill provide important tools to help farmers comply with Federal and State regulations while keeping farmers in business. Conservation programs are an extremely important resource for many Pennsylvania farmers. We have a great conservation tradition in our State. This bill would enhance and build upon that great record of conservation in Pennsylvania and across the country.

We also wanted to focus on helping those who don't have enough to eat and making sure we are doing everything possible to enhance or improve nutrition by the many strategies in the farm bill that involve nutrition. There is no better opportunity to strengthen nutrition policy in the nutrition programs than through a well-crafted 5-year farm bill.

The people of Pennsylvania and folks across the country deserve certainty, and a 5-year farm bill would help us move in that direction. If the House leadership is serious about a prosperous future for the country, the House must pass the 5-year farm bill right now. I urge the House leadership to appreciate the significance of having a 5-year bill for farmers, for consumers, and for families. If the Senate, as it has done, can pass a bipartisan farm bill the way we did, I have no doubt—no doubt whatever—that the House can do the same.

Madam President, I yield the floor.

The PRESIDING OFFICER. The Senator from Missouri.

REMEMBERING DANIEL K. INOUE

Mr. BLUNT. Madam President, I wish to talk about the disaster supplemental today, but before I do that, I would like to spend a minute talking about the Senator from Hawaii, Mr. Inouye. We were at the service this morning in the Rotunda of the Capitol, where only 31 Americans in the history of the country have been honored by that opportunity for Americans to think about them as they lie in the center of the Capitol on the catafalque that was used by Abraham Lincoln and others. I was able to place the wreath in the Capitol when Rosa Parks was in that same place.

I want to say how honored I was to get to serve in the Senate with Mr. Inouye. He not only was a hero in so many ways but I think connected all of us to the "greatest generation," as Tom Brokaw titled that generation, and there was no better example of that quiet, purposeful, heroic dedica-

tion to service than the Senator from Hawaii, the President pro tem, the chairman of the Appropriations Committee, but most of all just a great American.

Last year when school was out, my youngest son Charlie was here for lunch. In the Senate Dining Room, he saw Mr. Inouye, and he had seen Ken Burns' World War II documentary in which the Senator was being recognized. He said: "I saw him in the documentary on World War II." I asked Senator Inouye to come over to speak to Charlie and his friends, and he did. They were so thrilled to meet him.

Then, when that was over and the Senator walked away, Charlie then told a story from the documentary, which he had only seen once, and it had been about a month before, and he was 7. But he said that during the war, he captured a German soldier, and the German soldier reached in his pocket, and he thought he was going for a weapon, so he knocked him down, and as he fell down, the German soldier's hand—a bunch of pictures fell out. And at that time, young Daniel Inouye picked up the pictures, and they were of the man's family. And Charlie repeated—he said that he saw the pictures, and he said: "He is a man just like me." The greatness of that moment, his courageous actions later in the war, his leadership have often brought to mind—particularly as I sat in the Appropriations Committee and would look down the table and see him sitting there in the middle of the table—the thought that when that man leaves, there won't be anyone quite like him to take his place.

I would say, Madam President, to you and to my colleagues how honored I was to serve with him and how proud I am of the great and dedicated service he gave to the country. I hope we can all learn from his example.

Madam President, let me spend a few minutes talking about the current disaster supplemental.

I believe when disasters exceed the ability of communities and States to deal with them, the Federal Government should help. That has been something we have done for sometime now. I think there are some problems in the system and the way we respond. Unfortunately, in Missouri, we have had too many opportunities in recent years to have experience with disasters and responses. On occasion, they have been disasters we could deal with. And actually, I have told people where I live: No, this is a disaster that really is a bad thing—the tornado hit, it didn't stay for long—but we can deal with this ourselves. I said that last year at an event we had in Branson, MO.

But when we had this devastating tornado in Joplin, MO, following two different floods in the same time period, I said: No, we can't deal with this on our own. We need others to come in and help us, as we will help them when they have a big problem. And that is what this supplemental should be doing.



In my view, the \$60 billion supplemental is not the best way to deal with this at this time. I would rather see us deal with this when we know more about the money we need to spend. We have a March 27 deadline when the continuing resolution runs out. One of the questions I would have is: How much money do we need between now and then? There are others who might say, and I could possibly be persuaded, well, let's at least go until the end of the fiscal year. How much money do we need between now and September 30? But this goes beyond that.

When we had the Katrina disaster a few years ago we did at least three supplementals for Katrina. Eventually, we may spend more than \$60.4 billion. But my view would be there are probably better ways to approach this than appropriating that money right now as opposed to appropriating it later when we know what it is for.

This bill should not be viewed, either, as an opportunity for Members of Congress to fundamentally alter the disaster funding programs. There is a legislative process to do that. It shouldn't be the disaster funding bill that we use to change the law. We should have that debate at another time, and I hope we will.

In the past, and under the Stafford Act, which is the disaster funding act, we have limited what we can do beyond just replacing what the disaster took away, and we have added a little to it. There is an argument one could make: Well, if the disaster destroys this, and there is a way to put it back within reason that makes it harder to destroy, we should do that. In fact, there was a cap. I think it was 7½ percent was the most we could spend for preventing future things from happening, mitigation. This spends about four times that much, and it changes the law permanently to allow it to spend four times that much. That is not the way this should be done. And my guess is, before we are done, it will not be the way it is done.

For too long I think we have not looked at how we spend money on disasters. We have not only worked in recent times within the Budget Control Act, we had, as I said, disasters in Missouri in 2011 where we had two major floods and we had an E5 tornado that devastated the sizable community of Joplin.

I was in Joplin last week at one of the temporary middle schools. The high school was destroyed, the vocational school was destroyed, the parochial school was destroyed, and I think six elementary schools. I don't mean they were damaged, I mean they were destroyed. To replace those we were able to figure out how to work within the Budget Control Act. We even put some disaster funding in the regular appropriations bills as it became obvious what was going to be necessary beyond what we immediately knew as a country was necessary. And I think we could do that here.

I was so concerned about what happened in 2011 I asked the General Accounting Office to evaluate several things: the disaster declaration process, the standards that FEMA uses to make a declaration, FEMA's management of its disaster relief fund, and the overall costs that were associated with disasters at the State, local, and Federal level.

Madam President, I ask unanimous consent to have printed in the RECORD the GAO report as part of this discussion.

Mr. President, I ask unanimous consent to have printed in the RECORD the Conclusions and Recommendations for Executive Action of the GAO Report "Federal Disaster Assistance." (GAO-12-838)

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

#### CONCLUSIONS

Disaster declarations have increased over recent decades, and FEMA has obligated over \$80 billion in federal assistance for disasters declared during fiscal years 2004 through 2041, highlighting the importance of FEMA's assessment of jurisdictions' capabilities to respond and recover without federal assistance. The PA per capita indicator is artificially low because it does not reflect the rise in per capita personal income since 1986 or 13 years of inflation from 1986, when the indicator was set at \$1.00 and adopted for use, to 1999. By primarily relying on an artificially low indicator, FEMA's recommendations to the President are based on damage estimates and do not comprehensively assess a jurisdiction's capability to respond to and recover from a disaster on its own. For example, on the basis of FEMA's actual and estimated disaster assistance obligations, more than one-third of the 539 major disasters declared during fiscal years 2004 through 2011 are expected to have total DRF obligations of less than \$10 million, and more than 60 percent are expected to have total obligations of less than \$25 million. Therefore, many of these declarations were for relatively small disasters. At a minimum, adjusting the existing PA per capita indicator fully for changes in per capita income or inflation could ensure that the per capita indicator more accurately reflects changes in U.S. economic conditions since 1986, when the indicator was adopted. Making the appropriate inflation adjustment to the indicator would raise it from \$1.35 to \$2.07. A change of this size in 1 year could present challenges for jurisdictions, which could find that disasters with PA damage estimates that would now qualify for PA would no longer qualify. Thus, phasing in the adjustment over several years could provide jurisdictions time to take actions, such as increasing any rainy day funds, to adjust to the effects of higher qualifying indicators.

A more comprehensive approach to determine a jurisdiction's capabilities to respond to a disaster would be to replace or supplement the current indicator with more complete data on a jurisdiction's fiscal resources, such as TTR, and would be informed by data on a jurisdiction's response and recovery assets and capabilities. Because FEMA's current approach of comparing the amount of disaster damage with the PA per capita indicator does not accurately reflect whether a jurisdiction has the capabilities to respond to and recover from a disaster without federal assistance, developing a methodology that provides a more comprehensive

assessment of jurisdictions' response and recovery capabilities, including a jurisdiction's fiscal capacity, could provide FEMA with data that are more specific to the jurisdiction requesting assistance. For example, developing preparedness metrics in response to the Post-Katrina Act and Presidential Policy Directive-8 could provide FEMA with readily available information on jurisdictions' response and recovery capabilities. Without an accurate assessment of jurisdictions' capabilities to respond to and recover from a disaster, FEMA runs the risk of recommending to the President that federal disaster assistance be awarded without considering a jurisdiction's response and recovery capabilities or its fiscal capacity. As we recommended in 2001, we continue to believe that FEMA should develop more objective and specific criteria to assess the capabilities of jurisdictions to respond to a disaster. Given the legislative and policy changes over the past decade, we believe that including fiscal and non-fiscal capabilities, including available preparedness metrics in its assessment, would allow FEMA to make more informed recommendations to the President when determining a jurisdiction's capacity to respond without federal assistance.

Making informed recommendations to the President about whether cost share adjustments should be granted is important for FEMA and the requesting jurisdictions because every cost share adjustment has financial implications for both entities. A specific set of criteria or factors to use when considering requests for 100 percent cost share adjustments would provide FEMA a decision-making framework and enable more consistent and objectively based recommendations to the President. Also, when FEMA recommends that a cost share adjustment be approved and the President approves it, the federal government assumes the financial burden of paying 15 percent or 25 percent more in PA, which could total millions of dollars. Tracking the additional costs to the federal government because of cost share adjustments would allow FEMA to better understand the financial implications of its recommendations to the President.

FEMA's average administrative costs as a percentage of total DRF disaster assistance obligations have risen for disasters of all sizes. The agency recognized that delivering assistance in an efficient manner is important and published guidance to be used throughout the agency to help rein in administrative costs. However, FEMA has not implemented the goals and does not track performance against them. Over time, reducing administrative costs could save billions of dollars—dollars that could be used to fund temporary housing, infrastructure repairs, and other disaster assistance. Therefore, incentivizing good management over administrative costs by adopting administrative cost percentage goals and measuring performance against these goals would help provide FEMA with additional assurance that it is doing its utmost to deliver disaster assistance in an efficient manner.

#### RECOMMENDATIONS FOR EXECUTIVE ACTION

To increase the efficiency and effectiveness of the process for disaster declarations, we recommend that the FEMA Administrator take the following four actions:

1. Develop and implement a methodology that provides a more comprehensive assessment of a jurisdiction's capability to respond to and recover from a disaster without federal assistance. This should include one or more measures of a jurisdiction's fiscal capacity, such as TTR, and consideration of the jurisdiction's response and recovery capabilities. If FEMA continues to use the PA per capita indicator to assist in identifying a

jurisdiction's capabilities to respond to and recover from a disaster, it should adjust the indicator to accurately reflect the annual changes in the U.S. economy since 1986, when the current indicator was first adopted for use. In addition, implementing the adjustment by raising the indicator in steps over several years would give jurisdictions more time to plan for and adjust to the change.

2. Develop and implement specific criteria or factors to use when evaluating requests for cost share adjustments that would result in the federal government paying up to 100 percent of disaster declaration costs.

3. Annually track and monitor the additional costs borne by the federal government for the cost share adjustments.

4. Implement goals for administrative cost percentages and monitor performance to achieve these goals.

#### AGENCY COMMENTS AND OUR EVALUATION

We provided a draft of this report to DHS for comment. We received written comments from DHS on the draft report, which are summarized below and reproduced in full in appendix V. DHS concurred with three recommendations and partially concurred with the fourth recommendation.

Regarding the first recommendation, that FEMA develop and implement a methodology that provides a more comprehensive assessment of a jurisdiction's capability to respond to and recover from a disaster without federal assistance, DHS concurred. DHS stated that a review of the criteria used to determine a state's response, recovery, and fiscal capabilities is warranted and that such a review would include the need to update the per capita indicator as well as a review of alternative metrics. DHS stated that any changes would need to be made through the notice and comment rulemaking process and that, if changes are made to the per capita indicator, FEMA's Office of Response and Recovery will review the feasibility of phasing them in over time. However, the extent to which the planned actions will fully address the intent of this recommendation will not be known until the agency completes its review and implements a methodology that provides a more comprehensive assessment of a jurisdiction's capability to respond and, if the per capita indicator continues to be used, adjusts the per capita indicator to accurately reflect annual changes in the U.S. economy since 1986. We will continue to monitor DHS's efforts.

Mr. BLUNT. In the response portion of the report we will file, the GAO said a third of the disasters over the last 8 years cost the Federal Government less than \$10 billion. They also said the level of loss necessary to declare a disaster hasn't changed in a couple of decades.

My concern was—and the report leveled it out—that when we do have a big disaster, such as Sandy, we have almost always spent all the money because it was pretty easy to have a Governor ask for a disaster and the President to declare it and then the money is gone.

FEMA primarily relied on the per-capita damage indicator as the criteria rather than whether the local community had the resources to deal with this on its own. There was no specific criteria at FEMA to decide at what point we paid various percentages up to 100 percent coming from the Federal Government. The FEMA administrative costs from 1989 to 2011 had doubled. It had increased from 9 percent of every

disaster to an average of 18 percent of every disaster. So GAO recommended we do several things: that FEMA develop a methodology to more accurately assess what a jurisdiction was able to do; that we develop criteria to know when the Federal Government should accept all of the obligation—100 percent of the adjusted cost—and that we implement new goals to track why these costs of administering disasters were going up so dramatically.

Hopefully, we can do that, and we can look at the law at the right time in the right way. I know my colleague Senator COATS has led the way to propose an alternative to the \$60 billion supplemental bill. His alternative of about \$24 billion would provide the money necessary to be spent by good calculations between now and the end of March. This could be the right step for us to take now. I suspect, as we deal with the House of Representatives, it ultimately will be closer to the step we take. I just think we shouldn't use this bill as a time to change the law so we can spend money in ways the law currently doesn't allow. We shouldn't use this bill to speculate on what costs will be when we will know what those are. At the same time, I understand and appreciate this is a disaster where we should step in. We absolutely should step in and help people and the communities devastated by this disaster get back on their feet. We should do that, and I am going to do everything I can to see we do that. I just hope we do it in the best possible way instead of using this as an opportunity to do things that don't have anything to do with Sandy but may have some other goals that should be achieved in a more appropriate way.

With that, I yield the floor, and I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

The PRESIDING OFFICER (Mrs. McCASKILL). The Senator from Virginia.

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

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

DANIEL INOUE

Mr. WARNER. Madam President, I rise to speak about a subject which I know I and the Presiding Officer and a number of our colleagues have spent an enormous amount of time on; that is, the challenges of our fiscal circumstances. Before I start, I wish to join with so many of my other colleagues who have come to the floor in the last few days to celebrate the legacy of our departed colleague Senator Inouye. I didn't know him as long as many of our colleagues did, but in the 4 years I have served in this body, he was truly someone who was always a gentleman and represented the best of what I think the Senate is all about.

#### THE FISCAL CLIFF

I wish to, as I mentioned, spend this time to speak about the need in our country to have a balanced deal on the debt and deficit and to avoid the fiscal cliff. We have witnessed these conversations going back and forth between the President and the Speaker, hoping—I think speaking for many—they would reach some deal. I am very disappointed by the recent actions of the Speaker and his so-called Plan B—a plan that would do nothing to make a significant dent in our fiscal challenges. I think many of us on our side, and I imagine many on the Republican side, realize it is not an approach that will get us where we need to go.

There have been many of us in this body who have been working on this issue for a number of years. I think the American public is probably growing fairly tired of hearing about the fiscal cliff and why this has all come about and why all of a sudden we are only now focusing on this issue.

The fact is our Nation has been on an unsustainable fiscal path for some time. We are currently \$16 trillion in debt. Every day we do nothing, we add \$3 billion to that total—debt that will at some point have to be paid by our children and, because it has gotten larger, by our grandchildren. The reality is this is debt we are going to have to deal with, those of us who serve in this body now, and we have got to start paying for it.

The remarkable thing as we look at this debt is there is nothing about it that is self-correcting. Time alone will not solve this problem. What I hear from around Virginia, and I am sure the Presiding Officer hears around Missouri, is: How did we get to be in such a dramatic, difficult position in the last 12 years, when 12 years ago our country was looking at surpluses? I think as a former business guy, looking at what our Nation has done—and mechanically both parties have been responsible for this—it is not too hard to understand why we are in such a deep hole.

Over the last 12 years, we have done a series of things that have put us in an unsustainable position. On the revenue side, we cut taxes by \$4.5 trillion over 10 years, the largest tax cuts in American history. If we had simply cut taxes \$4.5 trillion over 10 years and done nothing else on the spending side, we might have been able to sustain that. But at the very time we took this dramatic decrease in our revenues, we did five things on the spending side—again, things that for the most part were bipartisanly supported—that would ultimately make our financial situation unsustainable.

First, in the aftermath of 9/11, we doubled our defense spending. Second, also in the aftermath of the challenges we faced in a very dangerous world after 9/11, we created a whole new category of government spending called homeland security; again, much of it necessary. Third, we did something



that in American history was unprecedented. Our Nation went to war not once but twice without asking Americans for any level of sacrifice beyond our military and their families, and the cost of those wars didn't even go through the normal appropriations process; they simply went on the credit card.

The fourth thing we did was we recognized in our country that our parents and grandparents were having increasing burdens with the high cost of prescription drugs, so we created a brand new entitlement program, bipartisanly supported, called Medicare Part D; but, again, we didn't pay a dime for it. On top of all that—and this is one of the biggest challenges we have and this is actually a blessing—we are all living a lot longer than anyone would have anticipated. The guy who originally set 65 as a retirement age was Bismarck, when he was Premier of Germany in the 1870s, and he set it there because average life expectancy was mid-fifties. In this country, we are blessed to live to an average age of 80. A healthy woman in America has a life expectancy of 100. That is a blessing, but it means the math that goes into our entitlement programs no longer makes sense.

What does this fiscal cliff mean? It means the gap between our revenues and our spending is clearly unsustainable. We need to find a solution before our unsustainable debt swallows our economy.

Some folks argue we don't need a solution now; we have time and space, and we should stimulate the economy with more deficit spending. I think an appropriate measure of additional stimulus activity makes some sense, so I do support investing in our infrastructure, in research and development, and workforce investments. As a former business guy, those are characteristics any strong business would invest in and any strong country should invest in if we are going to continue to grow. But that alone is not enough, and our problems, which only continue to accrue and grow over the long term, must be dealt with. The U.S. Government, similar to any large enterprise, takes time to turn. The sooner we start that turn the better. As this crisis evolves and as we get into the final days before Christmas, we need a real deal now—one that addresses these problems in the long run and starts by phasing in improvements that will start to address our problems on the spending side, revenue side, and, yes, entitlement side, over the course of the next 10, 15, and 20 years.

Some people look to Europe and say austerity there is not working, and I agree. An austerity program that is too quick can only make our problems worse. But I also see parts of Europe that have said by simply kicking the can down the road they can ignore their problems, and the only thing worse than austerity is the bond markets forcing a crisis upon the econ-

omy—forcing a crisis that would require a spike in interest rates and make this divide between spending and revenues even more unsustainable. So if we wait 3 years, 5 years, 10 years, 12 years from now, we will be unable to safely deal with these problems. That is why we need a balanced and responsible deal now.

After the election, many of my colleagues, particularly those on the Republican side, have somewhat publicly acknowledged that we need new revenue and it has to be a part of the solution. Candidly, I believe that even some of the numbers the President has put forward dealing with revenue goals are too modest in terms of what is needed to be put back into the revenue stream—not to grow the size of government, but to simply pay our bills. It is critically important this new revenue is quantifiable, scorable, and maintains the progressive nature of our Tax Code.

I, as do many on my side, appreciate those on the Republican side for their willingness to accept this reality. At the same time, we must acknowledge that every serious, bipartisan group that has looked at the issue of our fiscal circumstances understands that if we are going to put our fiscal house in order, in addition to achieving additional revenue, we are going to have to find additional places to cut government spending and take on the question of entitlement reform.

I understand many of our entitlement programs are a critical lifeline for our seniors and those who are the most vulnerable among us, but we need to ensure these programs are able to continue not just for the current beneficiaries but for our kids and grandkids alike. We must realize entitlement reform has to be part of any long-term response to our fiscal challenges.

Members come to the floor all the time and throw out lots of facts about the challenges around entitlements. I wish to cite just two which show that while, for example, Medicare and Social Security have been remarkably successful and must be preserved, the current math around both of these programs doesn't work. In Medicare, for example, an average couple, over their lifetime, would pay in about \$113,000 in payroll taxes. As they hit retirement and go on Medicare, they would receive back \$380,000 in benefits over their lifetime. Obviously, this gap can't be maintained.

How were we able to do it for so long?

Well, for a long time in our country there were a lot more folks paying in than there were folks paying out. When I was a child, there were 16 people working for every one individual on Medicare or Social Security. Today that ratio has gone down to three folks working for every one retiree. In about 10 to 12 years, that ratio will go down to two people working for every one person on Medicare or Social Security.

Think: again, paying in an average of \$113,000 in payroll taxes; taking out \$380,000 in health care expenses. Folks,

the math just does not work. So we must have a real, balanced, and responsible approach to deal not only with this fiscal cliff but to make sure the promise of Medicare, the promise of Social Security, is maintained.

But this is where we run into problems, and I fear we may not get to the solution we need. Knowing that we need both new revenue, that we have to find places to cut spending, and reform our entitlement programs to bring them back into sustainability, we have to have a solution that looks at both sides of our balance sheet, and Members of both parties must come together to support it.

It is remarkable that in this body there are still Members who believe there is going to be a Republican-only solution to this problem. We sometimes see those activities coming out of the House. But, just as there is not going to be a Republican-only solution, there is not going to be a Democratic-only solution as well. And one of the most remarkable things I have found in my 4 years of service in this Senate—and I think again about the Presiding Officer, who has taken on so many challenges—for those of us who have tried time and again to work across the aisle, there is very little reinforcement effort in this town for Members to do the right thing. In fact, in many cases, opposite forces dominate.

On both sides—both the left and the right—a number of stakeholders use scare tactics to preserve their own portion of the status quo. They dress up and use misinformation to scare the American people and run ads against politicians who would dare to break with their orthodoxy, in order to drive Americans apart.

In the last week or 10 days, we have started to take a look at some of the ads that have started to run in all of the Hill press and periodicals. Every day I get groups that come in—as I am sure the Presiding Officer does—and they all say: Senator, thanks for trying to work on this fiscal cliff problem. Thanks for trying to work in a bipartisan way. Try to get it done, just don't touch mine.

Let me give you a little bit of a sampling:

One ad we have seen recently has to do with the mortgage interest deduction. It is terribly important. Anybody who says tax reform has to take place, says it is going to generate more revenues; unfortunately, however, mortgage interest is one of the biggest tax expenditures in our Tax Code.

I like this one—Congress: Let's fight fraud first.

Well, who has not heard and said that the solution to all of our problems is if we can get rid of the waste and fraud? That may be part of the solution set, but that is not going to solve \$16 trillion in debt.

Next we hear: Who cares if Medicare and Medicaid are cut?

Well, this is from the hospitals. I know what great job hospitals across

Virginia, across Missouri, and across America do. But if we wall off these, where are we going to find the additional resources?

Next we see this: Graduate medical education.

It is very important, something I have fought for as Governor, something I want to preserve. In this debate, as we look to try to expand health care in America, we have to train more doctors to make sure those who have been uninsured can receive the health care they need. But, again, one more program: Do not touch mine.

We could go all day with additional posters.

But here again: Let's make sure airlines do not pay any more; let's make sure we avoid sequester; let's make sure we do not touch charitable donations; let's make sure defense is not touched.

Well, everyone wants to solve the problem. Everyone says: Atta-boy. But they then turn around to say: Atta-boy, but do not touch mine. That is not how the real world works. That is not what the Founders set up when they created this unique experiment in democracy.

One of the most remarkable things about the American government was they set up an institution that was slightly dysfunctional on purpose—an independent House, an independent Senate, an independent Presidency. The only way things got done was if all groups worked together.

For the past 2 months, there has been—not just the past 2 months, but for many, many months—there has been lots of talk about the forces of division and reflexive ideology. I think we all are tired of those groups that go around and ask politicians: Sign this pledge, not a dime of new revenue. It is one I find one of the most repulsive.

And we have seen, and I believe, that additional revenues are needed. Let me assure you, frankly, if there is any deal, they will be part of the deal. And while we are not there yet, the President and the Speaker have come to an agreement that additional revenue must be part of the deal.

But that is not the end of the story. If we—those of us on the Democratic side—say we have an extra trillion dollars of revenue, that we can then walk away from this problem now and say we were victorious, well, if we do that, all we are doing is simply kicking the can. The truth is—and this is from economists from left to right—if we do not have a deal that is at least a minimum of \$4 trillion in deficit reduction over the next 10 years—and that is at the low end—then we will not start to drive our debt-to-GDP ratio back into a sustainable position. The only way we are going to get there is, yes, counting the cuts we have already made, yes, looking for additional revenue, but also finding additional spending cuts and entitlement reform.

The President gets this, and he knows we cannot kick the can down

the road. What I think has been remarkable is, as the President has laid out his plan and his vision, he has acknowledged that he has been willing to be open to hard choices, including reforms to our entitlement programs. One of which he has said he would be open to, with the appropriate protections, the so-called chained CPI. But once this was even mentioned, some groups, progressive groups that I have been proud to have the support of, have said that any change—any change—to Social Security or Medicare or anything that is as sinister as chained CPI cannot be a part of any deal. For these groups, they say any single dollar of what they consider to be a benefit cut in these entitlement programs is unacceptable, even if it helps ensure the sustainability of Social Security or Medicare.

This is not a path to a successful deal. This is not the path, the kind of compromise and balance that will make sure we actually do preserve Medicare and Social Security for the long term.

I have to say, it is surprising to me, when I hear some in my own party who come down and rightfully call out those on the other side who deny the science around climate change, that those very same folks sometimes then deny the math around entitlement reform.

I wish to take a moment to talk about this so-called chained CPI. Chained CPI, as certified by our official scorekeeper, the Congressional Budget Office, is an alternative measure of inflation that takes into account how people change the mix of products and services they buy or substitute as prices change.

What does that mean in English? It means in the old days, the way we used to measure how much inflation was taking place was if the price of bananas went up, well, you would not buy bananas. This says, in a more realistic estimation, if the price of bananas goes up, well, you might, instead of buying bananas, buy apples.

What does that affect? It means the chained CPI “. . . provides an unbiased estimate of changes in the cost of living from one month to the next.” Is it a perfect formula? Absolutely not. But there is no perfect formula to measure inflation.

What is remarkable about this debate—and this is just one small piece of any kind of comprehensive reform—is that experts on the left and right agree that this new measurement formula is more accurate and more appropriate. And it does mean that the rate of inflation will be measured as slightly less. It actually says that it will cut the rate of increase by roughly three-tenths of one percent.

I have heard Members come out here and say this will account for changes and dramatic cuts of 10, 15, 20 percent. This is cuts of three-tenths of one percent.

Who supports this so-called chained CPI? It must be only those forces on

the right. And, yes, groups such as the Heritage Foundation and the American Enterprise Institute have come together and said this is a more accurate measure. What has not been emphasized is that groups that have bona fides on the Democratic side that are unquestioned—the Center for American Progress, the Center on Budget and Policy Priorities, the Washington Post editorial board, the President's fiscal commission, the Bipartisan Policy Center—have all said this ought to be one of the tools we use as we look at trying to make sure Medicare, Social Security, and other entitlement programs are reformed and made sustainable.

Now why do economists support chained CPI? Because it honors the commitment to maintain the purchasing power of spending and revenue policies. It provides savings across the budget, not just in entitlement programs but across other areas. It also raises revenues, and it contributes meaningfully to the long-term fiscal sustainability of the programs we want to protect. Because across the government we have indexed things to inflation. The Tax Code, the entitlement programs, all are indexed. They rise and decrease based upon inflation.

So again, this tool, while not perfect, all these groups have said needs to be part of any reform. This is not a new idea—I know, perhaps, it is on this floor—but this is an idea that has been discussed, debated, and endorsed by these groups from left to right for over the last 10 years. It does, as I mentioned, both increase revenues and lower spending. Because, again, it is a more accurate measure of policy adjustments that Congress has already decided to make.

There are some who say: Well, what will this do to Social Security? That is an important part of this conversation. I for one believe Social Security needs to be reformed, and I believe Social Security reform ought to take a separate path from debt and deficit reform. I understand for many seniors, Social Security is a lifeline and it is without question the greatest social program in the history of our country. We as legislators need to protect that program.

But what we do not hear from those who come out and advocate for Social Security is the recognition that Social Security is on a path toward insolvency. If we do nothing about this wonderful program, under current law it will basically run out of money, which will mean a 25-percent across-the-board cut in benefits as early as 2033. And that number—as we continue to grow older, the actuaries keep coming up each year and making it earlier and earlier.

Now 2033 sounds like a long time away. What it means is, for some of our folks who work here, if you are 46 years old today, that would mean at age 67 you would see your benefits cut by more than a quarter—again, unless we act. This is not a self-correcting problem.

There are other things we need to do around Social Security, such as raising the cap on the amount of income that is taxed. But those who say we should put off questions about Social Security or Medicare to some other day refuse to also recognize the reality that none of this self-corrects, and the sooner we start down the path of reform, the sooner we can make sure the promise of these programs will last.

But, again, instead of worrying about the potential of a 25-percent cut in Social Security benefits for folks who today are 46 years old, they talk about the fact that, yes, there may be some slight cutback in immediate benefits—not, though, 20 percent, not 3 percent, not 1 percent, but a decrease of three-tenths of 1 percent in the amount of increase each year.

There are ways that if we use this tool, to make it more fair and balanced. Because we must make sure that we protect the most vulnerable in our society.

I was part of a group the Presiding Officer, I believe, supported, the so-called Gang of 6, which built on the President's Commission on Fiscal Responsibility, that said if we are going to do something like chained CPI, we also need to make sure we ensure protections for the most vulnerable. Which basically included things such as raising the minimum benefit for that bottom 20 percent of folks on Social Security; for making sure, as we add our aging population, that those individuals who outlive their pensions—the fastest growing group of Americans are folks above the age of 85—that they would receive an additional bump up as well.

We must also recognize, if we are looking at something like chained CPI, that we have special obligations to protect our veterans and the least fortunate among us. So any use of this tool ought to have special rules and include exclusions for veterans and SSI beneficiaries.

As I mentioned before, I personally believe raising the cap on the payroll tax is another part of the tools that we ought to use. But too many of the groups that are attacking this or any other effort to look at a balanced approach of, yes, additional revenue; yes, additional cuts; and, yes, reforms to our entitlements, do not mention that there are ways to mitigate some of these challenges.

It is also important to mention, with these ideas, at least from my position, every dime of impact that chained CPI would have on Social Security, those savings would have to remain in Social Security to make the program more solvent.

But this discussion about chained CPI is just the current flashpoint. The bigger issue is how we are going to get to that question of what I believe is, at minimum, a \$4 trillion deal. Any budget deal between the Speaker and President, I believe, will probably contain enough things that everyone will look

at it and find a lot to dislike. If not, they probably have not done their job. To single out any one thing and to be absolutely opposed to a deal, regardless of the other parts of the package, to me, would be the height of irresponsibility.

Again, I know there are others who say this whole debate about the fiscal cliff is imaginary and simply created by politicians. Well, I have to acknowledge, as somebody who spent 20 years in business and a number of years now in elective office, I do not know for sure what the effect would be if we go over the cliff and see taxes go up on all Americans, to see these across-the-board cuts take place.

But I do know this: If the chance is only 5 or 10 or 15 percent that going over the cliff would throw this economy back into a deep recession, there would be nothing that would rob more Americans, and hurt our most vulnerable citizens more, than having their house go back underwater because of a rise in interest rates, or the potential that a job disappears because an employer decides to end up—no longer to play, or unemployment benefits not get extended because we chose to punt rather than to deal with this issue.

Again, if we go over a cliff, and if the chances are only 10 percent that it throws us back into a deep recession, unlike in the past, unlike the fiscal crisis in 2008, we do not have extraordinary measures of stimulus or the Fed being able to dramatically lower interest rates.

So I believe we do need this balanced, responsible—at least a \$4 trillion deal; a deal, again, that I believe counts the cuts we have already made, that adds additional real revenue.

Again, as I mentioned earlier, I think the President has started too low in terms of the amount of revenue we need. We took \$4½ trillion out of the revenue stream over the last 10 years. I think to say that putting back at least one-third or 40 percent of that would be much more appropriate than what is being discussed right now.

It does mean that all of us need to make some hard choices about spending, and make sure the entitlement programs which have been so successful are sustained.

In closing, let me make a few final comments. I believe any final deal must ask those of us who have done well—and I have been blessed in this country to do very well—to pay their fair share. Beyond that, we have to look at a tax reform package that will actually make our Tax Code simpler, fairer, and generate more revenue than even what has been suggested in the current conversation.

It means, though, recognizing that we cannot solve this problem with budget cuts alone, it means Medicare and other entitlement reform must be serious and part of the conversation; that we honor our commitment not only to those beneficiaries who receive these important benefits now, but to

make sure that 20-year-old, 40-year-old, and 50-year-old is going to have those benefits as well.

No matter what we do, we cannot only cut and tax our way out of this problem. It must include a growth agenda. Finally, as I know the Presiding Officer has made points time and again, it must contain real protections for the most vulnerable amongst us.

The President and Speaker are still working. I am hopeful they will get a deal. We, as Americans, and as legislators, owe them the space to make a deal, the opportunity to combine things people on each side might not like, in isolation, with policies that address these greater concerns. But now is not the time to be against things without knowing the critical details about how and where they will work.

It is not time to confuse the true facts or the actual math involved, regardless of which side to which you belong. I have spent the last 2½ years in this body trying to work with folks on both sides to get us to a deal. I believe there is nothing that will do more to generate job growth and economic activity than making sure we have a real deal that does not kick the can and actually passes muster.

I have to acknowledge at times I, like I know many of my colleagues, grow very frustrated with the back and forth. Clearly, what is going on in the House right now is not a serious effort to address this problem.

I see the new chair of the Appropriations Committee here. I will wrap up. I want to commend the Senator from Maryland, my good friend, for her new position. I believe she will lead us back to a path where we have regular order to make sure we appropriately look at how we spend the resources we receive. But we must no longer punt on this issue.

At moments of greatest frustration—and there are many for me as I know there are for many Americans, as they get tired of hearing about the back-and-forth and the Kabuki dance going on right now. It is in moments of greatest frustration, that I always fall back on that wonderful Winston Churchill quote:

You can always count on the Americans to do the right thing, after they have tried everything else.

Well, it seems to me, in this debate we have tried everything else. We have accused back and forth. We have been unwilling to recognize the reality for the need for revenues or the recognition that we have to make sure our entitlement programs are sustainable. I hope and pray as we move closer to this Christmas season that our leaders, and then all of us from both sides, can come together and make sure that we address this issue; which I believe that until we address it, we will not be able to address the host of issues which confront our country.

I yield the floor.

Ms. MIKULSKI. Mr. President, what is the pending business before the Senate?

The PRESIDING OFFICER (Mr. SANDERS.) The pending business is H.R. 1.

Ms. MIKULSKI. Mr. President, I rise and ask unanimous consent to speak for 3 minutes as in morning business.

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

#### APPROPRIATIONS COMMITTEE CHAIRMANSHIP

Ms. MIKULSKI. Mr. President, I just wanted to come to the floor—I know other Senators are speaking—to say to the rest of my colleagues and to many people who have expressed interest, the Democratic caucus has just confirmed me to be the full chair of the U.S. Senate Appropriations Committee.

I take the floor today to announce that with great humility, I am filling the footsteps of Senator Danny Inouye, who was indeed a giant among men, a war hero, and an advocate for social justice, national security, and a compassionate government.

I want to just say to my colleagues, as I assume this chairmanship, I look forward to working with each and every Member of the Senate, both within my own caucus and across the aisle, to have a committee that functions on a bipartisan basis.

The Appropriations Committee is a constitutionally mandated committee. The Appropriations Committee is governed by the Constitution of the United States, by the laws of the land, and by the rules of the Senate. Under the Constitution, the Founding Fathers said every year there should be a review of the annual Federal expenditures. That is what our committee will do. We will bring forward legislation that will show what are the expenditures of the United States Government, what we propose to be ratified by the full Senate.

We will do it, first of all, on a bipartisan basis. One of the first calls I received when I knew this honor would come to be chair was to reach across the aisle to Senator RICHARD SHELBY of Alabama, my good friend and colleague who is now the ranking member on the Appropriations Committee, to reach out to him, as I did in a phone call. And I say publicly today that when we look at how we are going to spend the money and how we are going to meet our national security needs—but our compelling human needs in this country, and public investment in our children, in our future, and how to promote our economy—we need to do it on a bipartisan basis. I want to thank Senator SHELBY because he assured me of his cooperation to do so.

Our committee will function in a way that is open, transparent, and we wish to follow the regular order. What we want to do in following the regular order is to ask our colleagues to join with us so that we move the urgent supplemental which so many American people are depending on us to pass, this legislation to meet the needs of individual assistance to restore homes, lives and livelihoods.

It is going to be a new day in the Appropriations Committee, but we are

going to follow old-school values of the men who went before us: Dan Inouye, Ted Stevens, men who fought in World War II to defend America. They stood on this Senate floor to defend the Constitution. They spoke for their States. That is what we are going to do. I want everyone to know, we also will want to ensure that our spending reflects our values to protect our country, to protect vulnerable populations, and to also prepare America for the future.

I will have more to say about all of this at a later time. I just wanted to say, I take this not as an honor but as a great responsibility. I am so appreciative of the caucus that confirmed me. I am very appreciative of the way Members of the other side of the aisle also reached out.

If we take the time to listen to each other, to respect each other and listen to the needs of the people, we can work to get more bang out of the buck, get more value for the dollar. We can have a strong economy, a safer country. We can be frugal without being heartless.

At the same time, we can assure the taxpayers we have heard them. They want us to do a better job with our spending, but at the same time they want to see it in an open process. I just wanted to come to the floor to say that.

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

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

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

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

#### JON KYL

Mr. MCCONNELL. I rise to pay tribute to a dear friend and an extraordinary public servant, Senator JON KYL. For the past 18 years, it has been my honor to serve alongside JON in the Senate, and it has been my great privilege to get to know him personally and to work with him as closely as I have.

JON has built a well-earned reputation as one of the great policy minds of our time. He has an encyclopedic knowledge of domestic and a keen interest in foreign policy, and we all know he is one of the hardest working Members of Congress.

He has been a leader on his own State's interests, and he has emerged as one of the strongest leaders in our entire party on the issues of nuclear strategy and arms control. JON has explained to an entire generation of Republicans President Reagan's enduring philosophy of peace on strength and then applied it.

JON has been a zealous proponent of a strong missile defense, and more than any other Senator he helped ensure that the United States had a working nuclear arsenal after the Cold War had ended because, in his view, a strong America that can deter a threat is always the best avenue to peace.

Over the past decade, JON has applied that same standard to the war on terror, and no one, no one has worked harder to explain the threat of Islamist terrorism or helped equip our Nation with the tools we need to confront and defeat it than JON KYL.

Not enough thought has been given to the role of nuclear weapons in American foreign policy and how strategy will evolve as our conventional military is drawn down due to a diminishing investment and how nuclear weapons will be employed to support the articulated strategic pivot to the Asian Pacific theater. The Senate and the country will be well served by JON's thoughts on these challenges over the coming years. Fortunately, he has thought ahead by encouraging others to step into the void after he leaves.

Throughout his time in Washington, JON has been guided, as he explained in eloquent detail yesterday, by a profound belief in and commitment to the expansion of freedom and the three primary areas where that commitment plays out in the public square: growth-oriented economics, the social policies that make limited government possible, and any policy that emphasizes a strong and sovereign America. These three pillars have been JON's guidepost, and we have all benefited tremendously over the years as a party and as a nation from his faithful application and patient explanation of the enduring importance of all three.

In short, JON is whip smart, and he is a passionate believer and defender of American exceptionalism. But besides all this, he is also a fantastic individual, with a peerless reputation on both sides of the aisle as a man of principle and integrity. I have personally benefited from JON's policy mind and advice countless times, and, JON, I want to say how grateful I am for your steady hand and wise counsel over the years.

I always knew I could throw JON into the middle of any fight, confident our team would own the field. He wasn't just prepared, he was eager to take on the most thankless tasks, and he never ever let me down.

One suspects the seeds of JON's wisdom and equanimity were planted in his upbringing in the Midwest. As a young boy growing up in Nebraska and Iowa, he learned the value of hard work. His dad led the local chamber of commerce and worked as a high school principal and superintendent. Later on, he joined JON's uncle in the clothing business—and eventually he served six terms in Congress.

It was a stable, happy, middle-class childhood centered on work, family, and service. It laid a solid foundation for JON's later successes. "It was very important to Dad," JON once said, "that we recognize that even though we weren't rich, we still had an obligation to get involved and give back to the country."

After graduating from high school, JON enrolled at the University of Arizona, where he was very much the bundle of energy that anybody who has ever walked more than 10 feet with him is familiar with. Incidentally, I am told that you don't want to go on a hike with JON unless you are a trained Olympian. He hikes up Camelback Mountain almost every weekend he is home, and there are two routes; one is somewhat challenging and the other one is akin to a Stairmaster. JON takes the Stairmaster because it is faster. He climbs up without stopping, and then as soon as he gets to the top, he comes right back down. Most people stop to eat an apple or look at the vista—not JON. He powers right back to the bottom. There is too much work to be done.

During his college years, JON got involved in debate, politics, and a number of service organizations, graduating with honors in 1964. It was also during his college years that JON fell in love with Arizona, its red sunny vistas, big skies and warm inviting people. It is there that he fell in love with Caryll Collins, whom he met at church one Sunday and who has been his constant companion and his anchor ever since.

I know JON would agree that without Caryll's support, patience, and understanding he would never have been able to accomplish all he has over the years. JON and Caryll have been married nearly 50 years. They have raised two great kids, Kristine and John. They have seven grandchildren. They have been blessed.

After college, JON went on to earn a law degree from the University of Arizona College of Law, where he was editor of the Law Review. He must have had some great teachers because it is hard to imagine anyone who loves the study and the application of the law as deeply as JON KYL.

JON practiced at a firm in Phoenix for 20 years when he decided to follow his father's footsteps instead and take a turn toward public service. As one long-time friend described it:

[Jon] sat down with . . . Caryll, who is really his partner, and decided it was time. . . . He could have been a rich man. But he decided this was more important.

JON ran for Congress in Arizona's Fourth District and won handily, serving eight terms before winning his Senate seat in 1994.

One way to illustrate how hard JON has worked over the years is to look at the coverage he got then versus the coverage he gets now. When he first ran for office, one unfriendly paper called him an enigma. But by 2006, that same paper would describe him as a "national, political figure . . . and one of the five most powerful Senators in Washington . . . a man who most everyone says is a hardworking, keenly intelligent, humble, civilized gentleman who seems always to be doing what he believes is best for America." Most of us couldn't get that out of our own press secretaries, let alone the hometown paper.

But it says everything we need to know about JON KYL. His work ethic is legendary. For 15 years, JON labored mostly behind the scenes on one of the most complicated and sensitive issues in Arizona politics, settling American Indian claims to Colorado and Gila River water and resolving an intergovernmental dispute about how much money Arizona should pay for the Central Arizona Project, completed in 1993.

These were longstanding, thorny, legal, and political issues in Arizona. Some thought a settlement was impossible. They didn't know JON well enough. By 2004, he had succeeded in passing the Arizona Water Settlement Act, simultaneously resolving the outstanding Indian lawsuits and resolving the issue of Arizona's reimbursement rate to the Federal Government.

According to one political commentator, "It was the most far-reaching Indian water settlement in history," and it "wouldn't have happened without the hard work and keen legal mind of JON KYL."

As JON himself put it:

It was one of the hardest things I've ever done, but I was in a position to be the catalyst. There wasn't anybody else who could do that water deal. And it had to be done.

JON's work on water settlements carries a lesson for all of us. Similar to any true leader, he saw the need to do something, not just for the folks who elected him but for the generations of Arizonans to come. He thought ahead, and now the people of Arizona can go about their daily lives without having to worry about water at all for generations to come. It will be a huge part of his legacy—and it went more or less unnoticed by most folks in Washington. That is why JON truly embodies the old maxim, popularized by President Reagan, who had it placed on his desk, that there is no limit to what a man can do or where he can go if he doesn't mind who gets the credit. He almost seems to relish the thankless task. A lot of people don't know this, but JON actually volunteered to serve on the supercommittee.

At press conferences, JON has even been known to lean up against a wall so others get noticed instead of him, which, as we all know, is pretty unthinkable to most of the folks around here.

JON's intelligence and personal humility are just two of the reasons he has been so good at persuading people to his view. He persuaded his colleagues to oppose President Clinton's Comprehensive Nuclear Test Ban Treaty. He has used his immense powers of persuasion literally countless times as minority whip, and he has done all this without ever offending anybody.

He is that rare politician who manages to always stand on principle without ever damaging a relationship. I mean it when I say that to the degree I have had any success at all in my role, it has been only because JON KYL has been my partner, counselor, and friend.

JON always tells folks he is serious because the issues he deals with are serious, and I can't tell you how grateful I am that we have had him for as long as we did and how much I will miss having JON KYL around when the gavel falls on the 112th Congress.

One last point. People who know JON well know he is a huge NASCAR fan. He knows the drivers. He knows the lingo. He goes to two big races every year in Phoenix and nothing, I mean nothing, can keep him from going.

Why do I mention this? As a young lawyer, JON used to volunteer to be the lookout guy on the hill around the track. This is a guy who keeps a lookout for oil on the track. His view was it might not be the most glamorous work but that it was essential to maintain the safety and the integrity of the race to have someone up there on the lookout. I can't think of a better way to sum up his service in Washington.

JON has been that serious, behind-the-scenes legislator who always did what needed to be done. He was happy to do the work while others took the credit, and he was happy to explain any issue to anyone and to provide not only the intellectual explanation for the right policy but the elbow grease to get it enacted into law. What mattered to JON was the good of the country.

He has been a model public servant. And, JON, I can't tell you how grateful we all are that you were. Thank you for everything, my friend. I truly hate to see you go.

The PRESIDING OFFICER. The Senator from Arizona.

Mr. KYL. Mr. President, I will just say thank you to my leader. There is a lot that is enjoyable, some not so enjoyable, about serving here in the Senate. But my time as whip in particular has been one of the most enjoyable things I have done, both because it is in behalf of our colleagues here, helping to get things done, but also because I have been able to work alongside a great leader in Republican leader MITCH MCCONNELL. I will treasure that always, and I am deeply grateful for the comments he made today.

Thank you.

The PRESIDING OFFICER. The Senator from Maryland.

Mr. CARDIN. Mr. President, before Senator KYL leaves the floor, I would like to join the Republican leader in congratulating him on his public service. He and I came to the Congress the same year, after the 1986 elections—we are part of the 100th Congress—and we became friends. I couldn't agree more with the Republican leader and his example of following your convictions with the highest degree of integrity in the work you have done. I had a chance to serve with you on the Judiciary Committee, and I can tell you that you added greatly to the respect for that committee and our respect for the process and for the rule of law and for civil liberty issues. And most recently, with the work you did on the Magnitsky bill, the Republican leader

is absolutely right—you did not seek the headlines on that legislation, but it could not have been done without your direction and your help.

I just want to thank you for what you have done to advance the reputation of the Senate and public service, standing by your convictions, yet doing so in a way that we could work together, respecting everyone's right to be heard and our right to work together. You are indeed a model Senator, and it has been an honor to serve with you in the Senate.

The PRESIDING OFFICER. The Senator from Arizona.

Mr. KYL. Mr. President, I would respond by saying thank you very, very much. I would just add one other thing. In this Senate family, although we may be of different parties, we make good friendships, and it should not go unnoticed that our spouses also make good friendships. This is a case where my wife and Senator CARDIN's wife are very good friends, which necessarily draws us closer together, and for that we should both be grateful as well.

I thank my colleague.

The PRESIDING OFFICER. The Senator from Maryland.

Mr. CARDIN. Senator KYL is absolutely right. I get my best information from Myrna as to what is going on in the Senate. So I appreciate his comments.

#### HUNGARY

Mr. CARDIN. Mr. President, as the Senate chair of the Helsinki Commission, I have a longstanding interest in Central Europe. For many years the Helsinki Commission was one of the loudest and clearest voices to speak on behalf of those oppressed by communism and to call for democracy, human rights, and freedom from Soviet oppression. It has been a great triumph and joy to see the peoples of this region free from dictatorship.

Over the past two decades I have been profoundly heartened as newly freed countries of Central Europe have joined the United States and NATO and have become our partners in advocating for human rights and democracy around the globe. Leadership on those issues may be especially important now as some countries in the Middle East undertake transition, the outcome of which is far from certain. Even in Europe, in the western Balkans, there is a crying need for exemplary leadership, not backsliding.

Americans know from our own history that maintaining democracy and promoting human rights are never jobs that are finished. As my friend and former colleague Tom Lantos said, "The veneer of civilization is paper thin. We are its guardians, and we can never rest."

For some time I have been concerned about the trajectory of developments in Hungary, where the scope and nature of systemic changes introduced after April 2010 have been the focus of considerable international attention.

At the end of November, Hungary was back in the headlines when Marton

Gyongyosi, a member of the notorious extremist party Jobbik and also vice chairman of the Parliament's Foreign Affairs Committee, suggested that Hungarian Jews are a threat to Hungary's national security and those in government and Parliament should be registered. The ink was barely dry on letters protesting those comments when another Hungarian member of Parliament, Balazs Lenhardt, participated in a public demonstration last week where he burned an Israeli flag.

The fact is that these are only the latest extremist scandals to erupt in Budapest over the course of this year. In April, for example, just before Passover, a Jobbik MP gave a speech in Parliament weaving together subtle anti-Roma propaganda with overt anti-Semitism blood libel. After that, Jobbik was in the news when it was reported that one of its members in Parliament had requested and received certification from a DNA testing company that his or her blood was free of Jewish or Romani ancestry.

At issue in the face of these anti-Semitic and racist phenomena is the sufficiency of the Hungarian Government's response and its role in ensuring respect for human rights and the rule of law. And the government's response has been, to say the least, wanting.

First, it has been a hallmark of this government to focus on blood identity through the extension of Hungarian citizenship on a purely ethnic basis. The same Hungarian officials have played fast and loose with questions relating to its wartime responsibilities, prompting the U.S. Holocaust Memorial Museum to issue a public statement of concern regarding the rehabilitation of fascist ideologues and political leaders from World War II.

I am perhaps most alarmed by the government's failure to stand against the organized threats from Jobbik. For example, in late August a mob estimated at 1,000 people terrorized a Roma neighborhood in Devecser, taunting the Romani families to come out and face the crowd. There were reportedly three members of Parliament from the Jobbik party participating in that mob, and some people were filmed throwing bricks or stones at the Romani homes. The failure to investigate, let alone condemn such acts of intimidation, makes Prime Minister Orban's recent pledge to protect "his compatriots" ring hollow.

Of course, all this takes place in the context of fundamental questions about democracy itself in Hungary.

What are we to make of democracy in Hungary when more than 360 religious organizations are stripped of their registration overnight and when all faiths must now depend on the politicized decisionmaking of the Parliament to receive the rights that come with registration?

What are we to make of the fact that even after the European Commission and Hungary's own Constitutional

Court have ruled against the mass dismissal of judges in Hungary's court-packing scheme, there is still no remedy for any of the dismissed judges?

What is the status of media freedom in Hungary, let alone the fight against anti-Semitism, if a journalist who writes about anti-Semitism faces possible sanction before the courts for doing so?

What are we to make of Hungary's new election framework, which includes many troubling provisions, including a prohibition on campaign ads on commercial radio and TV, onerous new voter registration provisions, and limits on local election committees, which oversee elections?

I find it hard to imagine that Jews, Roma, and other minorities will be safe if freedom of the media and religion, the rule of law, the independence of the Judiciary, and the checks and balances essential for democracy are not also safeguarded. With that in mind, I will continue to follow the overall trends in Hungary and the implications for the region as a whole.

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

The PRESIDING OFFICER. The clerk will call the roll.

The 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.

(The Remarks of Mr. DURBIN are printed in today's RECORD under "Morning Business.")

#### ESTABLISHING THE DATE FOR THE COUNTING OF ELECTORAL VOTES

Mr. DURBIN. Mr. President, I ask unanimous consent the Senate proceed to the consideration of H.J. Res. 122, received from the House and at the desk.

The PRESIDING OFFICER. The joint resolution will be stated by title.

The legislative clerk read as follows:

A joint resolution (H.J. Res 122) establishing the date for the counting of the electoral votes for President and Vice President cast by the electors in December 2012.

There being no objection, the Senate proceeded to consider the joint resolution.

Mr. DURBIN. I ask unanimous consent the joint resolution be read three times and passed, the motion to reconsider be laid upon the table, with no intervening action or debate, and any statements be printed in the RECORD.

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

The joint resolution (H.J. Res. 122) was ordered to a third reading, was read the third time, and passed.

#### DEPARTMENT OF DEFENSE APPROPRIATIONS ACT Continued

The PRESIDING OFFICER. The Senator from Alabama.