

the Presiding Officer for their leadership on what is an important issue to my State, and really to every State.

The marketplace fairness bill is a good idea whose time has finally come. We have been waiting 20 years since the court decision to give direction to our States so they can collect the retail sales tax upon which many of them finance most—if not all in some cases—of their governmental operations. This is not a new tax. It is not a different tax. It is not a tax we are applying to anybody. It is a mechanism for the collection of a tax that has been owed for over 20 years by people making retail purchases in our States from people who sell out of State.

I commend the leadership on the legislation, the way it is drawn. I hope everybody will bring their amendments to the floor, if they have any. I don't know that there is any need for them. I hope we can send a clear message to the House and to our States that we are prepared to let our local governments and our State governments collect the tax that is owed to them and has been owed to them.

The Governor of my State, Nathan Deal, last year led a major tax reform package that passed with only one dissenting vote in our legislature. It reformed taxes on utilities for manufacturing to attract businesses to our State. It reformed our income tax code and it reformed a lot of our taxes, but it also passed legislation consistent with the Marketplace Fairness Act so we can finally collect a tax that has been owed for a long time in our State.

As a real estate guy, as someone who used to lease retail space in shopping centers and on corners in the cities and counties in our State, I know what it has meant to retailers. What has happened is, in many cases, they become showrooms and servicing agents for an offsite seller. Customers in our community will go to the retail store, look at the products, go home and go on the Internet, buy the product on the Internet, and if something goes wrong with it, they will go back to the store and try to get it fixed. But the State never gets the sales tax on that sale because it was an Internet sale made by someone offsite.

Secondly, it has put pressure on the rest of the tax system. Think about this. If a local community gets most of its revenue from a local special purpose sales tax and all of a sudden that tax goes down, not because people aren't paying it but because it is not being collected, what happens? The pressure on the ad valorem tax goes up. So the retailer, who is already burdened with losing business because of Internet sales, becomes further burdened because they have more pressure from the ad valorem tax they pay for the space they lease and occupy. So it has had a compounding effect.

Also, we are famous in Washington for what is known as unfunded mandates to local government, whether it is IDEA in education or whatever it

might be. It is time we gave our local governments the chance for a mandate to collect a tax that is owed to them.

Lastly, for my State of Georgia, we have a 4-percent sales and use tax that goes to our State. We have special purpose local option sales taxes that are referendum taxes levied by local communities to finance school construction and other opportunities. We have a Metropolitan Rapid Transit Authority in Atlanta which in 1974 was seeded with a referendum that passed a 1-cent tax in Fulton and Dekalb Counties for the financing of the beginning of that subway system. It is not fair to deny those States and those entities the ability to collect a tax that is owed. It is only right, after 20 years of getting direction from the appellate courts as to what to do, that this Senate and this Congress and our country say to our States we are going to give a mandate for States to collect the taxes owed to them. We are going to take the pressure off the local retailers. We are going to level the playing field. We are not adding a tax to anyone; we are adding opportunity to everyone.

I commend Senator DURBIN, the Presiding Officer, Senator ALEXANDER, and Senator ENZI for their tireless leadership. I urge all Members of the Senate to do what we did on the motion to proceed and what we did on the amendment on the budget. Let's give an overwhelming ratification of the Marketplace Fairness Act.

Mr. CARPER. Madam President, would the Senator yield for a moment?

Mr. ISAKSON. Absolutely.

Mr. CARPER. Madam President, I wish to join with the Senator from Georgia. There are issues we disagree on, but this is a subject we agree on—another one we agree on.

I was privileged to be the Governor of Delaware for 8 years, and now I have served with the Senator from Georgia and other colleagues for the last 12 years. Delaware is one of those States that doesn't have a sales tax. I think most of these States that don't have a sales tax are not supportive of this bill. I am. Either I am out of step or maybe not.

We have all these signs when people come into a State that say "Welcome to," whether it is Georgia or Delaware or North Dakota. We had a sign that said, "Welcome to Delaware, the Small Wonder, the First State" and they all had the name of the Governor. When I became Governor, I said why don't we take down the name of the Governor and put something else up, and what we put up is "Home of Tax-Free Shopping." That is what we put up: "Home of Tax-Free Shopping."

In our little State, we have borders with New Jersey to the east and Pennsylvania to the north and Maryland to the west. They have sales tax. A lot of people in those States come to Delaware to shop, to buy things, and help to fuel our economy, our retail economy, and to help fuel our tourism economy as well. When people say to me: As a

former Governor and a Senator from a State that doesn't have a sales tax, why do you support this bill, one, I think it is an equity issue. The brick-and-mortar merchants are there collecting the sales tax in those 45 or so States that have a sales tax to help support the community, help to support the government and the services that are provided locally in States across America. Then we have folks who are selling things over the Internet to people who live in those States without collecting the sales tax, without being part of the solution.

The other thing—and the Senator from Georgia knows as well as I do—the brick-and-mortar merchants have people come into their stores pretty regularly, and they ask the merchants: How would you like to help support the Little League? How would you like to help support the Boy Scouts and Girl Scouts? How would you like to support this festival or this function? They get asked about those things all the time—and they do. Meanwhile, the folks they are competing with—the Internet sales—they are not supporting those kinds of activities. So there is an equity question here.

For me, why I see value in this—a guy who comes from a State who doesn't have a sales tax—is this: I want more people from other States, including the three around us, to come and buy things in my State. If they can buy things over the Internet and not pay a sales tax, then why would they come to Delaware? But if they have to pay a sales tax that is going to be collected by the Internet provider selling to people in those States with sales taxes, they might come to Delaware and shop.

Mr. ISAKSON. Madam President, I appreciate the leadership of the distinguished former Governor. Knowing him as well as I do, he is a States rights advocate and this is a States rights issue and we are here to protect the rights of our States.

Mr. CARPER. It sure is a States rights issue. I would be remiss if I didn't say this. I know my colleague has to leave. But in my first term as Governor, I had never heard of MIKE ENZI. Who is this MIKE ENZI guy? It turns out he is a great guy. He is one of our colleagues and a former mayor of Gillette, WY, and he has been pushing this as a Senator forever. Mike Leavitt, who succeeded me as chairman of the NGA, has been pushing this forever, a former Governor of Utah. So I give a shout out to both of them for their leadership. If we don't give up, sometimes we can get stuff done, and MIKE ENZI doesn't give up and I know the Senator from Georgia doesn't. So I thank my friend.

NOMINATION OF SYLVIA MATHEWS BURWELL

Madam President, I would like to speak a bit, if I may, on the nomination of Sylvia Mathews Burwell, whose nomination as the Director of the Office of Management and Budget has come through our Committee on Homeland Security and Governmental Affairs as well as through the Budget

Committee. Her nomination was reported out unanimously by voice vote a week or so ago by our committee and unanimously on the same day by the Budget Committee.

The nomination comes at a critical time not just for this administration but I think at a critical time for our country. We are wrestling with this large budget deficit. We know there are management challenges. When a person says OMB, it stands for the Office of Management and Budget, and whoever is confirmed to serve in this position is expected to oversee a great group of people, a good team that will focus on budget issues. The issues include how do we continue to rein in our budget deficit and bring it back to a more sustainable fiscal position for us, also what do we need to do on the management side to help hasten that day.

We have across the Federal Government in this administration, and we had it in the last Bush administration as well, something I call executive branch Swiss cheese. We have too many senior positions in this administration; we had a number of them in the last administration but not to the extent we have them in this administration. We have too many positions that are going wanting. In some cases, the administration has not vetted, nominated, and submitted names to us; in some cases, we are not moving them very quickly once they have, so there is a shared responsibility. The administration—in this case, we haven't had a confirmed Director of OMB for about 1 year, since Jack Lew left to become Chief of Staff, who is now Secretary of the Treasury. We have gone about 1 year without a Senate-confirmed OMB Director. That is not good. Jeff Zients, who has been the Deputy Director and who has basically been responsible for being Acting Director; also, if you will, the "m" in OMB, the Management Deputy for OMB. We haven't had anybody running it for a while, which these are the regulations since Cass Sunstein left, who was very good at it.

So the senior leadership team at OMB pretty much has been Jeff Zients, and we are grateful to him for taking on all this responsibility. But he may have other things he wants to do with his life and we need to put somebody in place to head up OMB and to surround that person with a first-rate team and I pledge to do that.

I wish to say to my colleagues, Democratic and Republican in the Senate, on our Committee on Homeland Security and Governmental Affairs, on the Budget Committee, just a big thank-you for getting this nomination, once we had it in hand, to move it quickly, hearings, through the vetting, staff interviews, and to bring that nomination to the floor. Thanks to the leadership, Democratic and Republican, for helping to make that possible.

Who is this person whom the President has nominated? She used to be a Mathews, with one "t"—a Mathews

with one "t." She is now Sylvia Mathews Burwell. She is a pretty remarkable person for someone who was raised and grew up in Hinton, WV, where I lived when I was 4 years old. I was born in Beckley, WV, not far from where Sylvia grew up. I said to her at our confirmation hearing: What is the likelihood that the President would nominate as the Director of OMB, one of the most powerful positions in any administration, a gal who was born in Hinton, WV, on the New River, close to the Bluestone Dam where I learned to fish as a little boy and she would be before our committee at a hearing chaired by a guy who used to live in Hinton, WV, when he was a 4-year-old kid? Pretty amazing. But she is extraordinary, as the Presiding Officer knows.

Sylvia Burwell grew up in West Virginia. She didn't go off to some fancy private school in another State. She went to Hinton High School. She played on the girls' basketball team there. I was kidding her at her confirmation hearing, and I asked her: What was the mascot? She said: We were the Bobcats. So she is a Bobcat. There were at the confirmation hearing a number of her colleagues from Hinton, who were fellow Bobcats and played on the basketball team with her—just a great celebration. She is a real person. She is just a real person. She has wonderful interpersonal skills.

When the President nominated her, I found out she used to work in the Clinton administration. But I asked her after high school what did she do. I like to say she couldn't get into Delaware or North Dakota University, she had to go to Harvard. From there, she became a Rhodes Scholar over in England. She came back and did some work on the Clinton-Gore campaign, I think, in 1992 and ended up working for the administration. What did she do? She was Chief of Staff to Bob Rubin, one of the leaders of the economic development team in the Clinton administration. She was a Deputy to Chief of Staff Erskine Bowles, Deputy Chief of Staff, and I think for the last year or two of the Clinton administration she was Deputy OMB Director and she had a pretty good experience there. She finished there and ended up working for McKinsey & Company, one of the top management consulting firms in the world. She helped stand up the Bill and Melinda Gates Foundation and more recently has helped to run the Wal-Mart Foundation. What great credentials.

I called Erskine Bowles when I found out she worked for and with him, and I said: Tell me about this Sylvia Burwell, who has been nominated to head up the OMB. Here is what he told me. He told me a truly great story. He said: Here is the setting. We are in the Oval Office with the President. Bob Rubin, Sylvia Mathews at the time—for a while—and Erskine, and the President is having a conversation with Bob Rubin, asking him some questions. And Erskine notices Sylvia, who

is Rubin's Chief of Staff, slips him a note and Rubin looks at the note, and he answers the President's questions to great effect and very brilliant responses. The President is oohing and aahing at how good that response was, and Erskine says: Mr. President, I have broken the code here on Rubin. He is not that smart. It is Sylvia. She gave him the note to answer the question. If I had Sylvia working for me, people might think I am as smart as they think Rubin is.

Well, she ended up working with Erskine as the Deputy Chief of Staff.

I also talked to Bruce Reed about her. Bruce was President Clinton's former domestic policy adviser. He and I worked with a bunch of other people on welfare reform. He is a great guy. He is Vice President BIDEN's Chief of Staff today. I asked him to tell me some more about Sylvia.

One of the other things I sensed from both of them is this: She is a real person. She is a good person. We have all heard the term "good guy." I do not know how you say that about a woman—if they are a "good gal" or whatever—but if she were a man, you would say "a really good guy." She has a great personality. People like her. Around here, that is actually pretty helpful. The other thing they said is that she is incredibly bright and able to juggle a whole lot of things at the same time.

Somehow along the way, she has gotten married to a lucky guy named Stephen. She said she is lucky too. They have these two young kids, and somehow they have managed to keep all the balls in the air and raise a family while having these careers.

But I asked Erskine and Bruce, what is she really like? Great, just a really good person, with good values. I have talked to her about her values, including the one that involves faith, and it is just the kind of thing you are encouraged to hear. She is very bright.

The other thing they said about her is this: She has a great ability to get things done. We all know people who are a good guy or gal, people who are arguably bright, but they are not able to get things done. Well, we need somebody in this position who is able to lead a team that gets things done. We have a huge deficit, about \$800 billion. It is coming down, but it is still too big. We have all kinds of GAO issues that they raise to us on their High Risk List—the things that are problematic because we waste money on ineffective spending. GAO, most recently, has given us a whole big report on duplication in the Federal Government. There is a huge to-do list. And part of it is our jurisdiction in our Committee on Homeland Security and Governmental Affairs. That is an obligation and responsibility we share with the administration and with other branches of our government. But we need somebody who is very good at multitasking and who can get things done. And I think if we help put the

right team around here, they will get a lot done and we will do this together.

I will close, if I could, with this: I have never met her parents. Obviously, I think she has at least one sibling. But, boy, when I asked her how she turned out this way, Sylvia really gives the credit to her parents. I think most of us probably do if we have had success in life, although we had a great witness before the Finance Committee at yesterday's hearing—Antwone Fisher, a sort of self-made, up-from-the-roots, amazing, successful guy. You never would have imagined he would have enjoyed the success he has, coming up through the foster care system in his home State.

But she gives a lot of credit to her parents. Obviously, they are doing something right at Hinton High School and maybe even at Harvard and over in Oxford, England. But she has had good mentors. She is a very humble person—a very humble person. She is the real deal, and we are lucky she is willing to take this on.

I commend the President for nominating her. I want to thank her husband and her family for their willingness to share her. I hope she gets a unanimous vote here today. She ought to.

COMMENDING THE PRESIDENT

The other thing I want to say, if I could, is this: The President took some folks out for dinner last night. I do not know if our Presiding Officer was one of them. My guess is she was. I will talk to her later about what they had and how it went. But I commend the President for reaching out to Republicans and Democrats, Senators and Representatives. It is the kind of thing you have to do. It is the kind of thing you have to do if you want to get things done. As President, you have a million people pulling on you—300 million people pulling on you—and folks from around the world pulling on you, and it is hard to focus on building and rebuilding relationships here. It is absolutely necessary.

I was talking with ANGUS KING the other day. ANGUS—now our colleague here in the Senate, a great addition—used to be Governor of Maine. We were comparing notes as to his role as Governor of Maine and mine as Governor of Delaware, how we worked with the legislature. I am sure you could find people who were in the legislature when I was Governor who said: Thank God he is gone. But we actually worked pretty well together.

One of the keys—not my idea but an idea that started with, I think, Pete du Pont, when he was Governor a number of years ago; also done by Mike Castle as Governor and Ruth Ann Minner as Governor and by me in between Governor Castle and Governor Minner—every Tuesday when the legislature was in session in Delaware—every Tuesday; they are usually in session on Tuesdays, Wednesdays, and Thursdays most weeks between January and June—I would host a lunch with the

legislative leadership of the house and the senate, Democrats and Republicans from the house and the senate. Occasionally, we had somebody in from my administration, my staff. We would have lunch together. Sometimes we would talk about issues; sometimes we would talk about sports or whatever else was the topic of the day. We always had lunch together, and we did it week after week, month after month, year after year. You get to know people and you develop a sense of trust, and in many cases you kind of like each other.

One of the keys to our success in Delaware is we sort of like each other, Democrats and Republicans. We work together, and we govern from the center.

ANGUS had a similar story, only they did not do lunch together with the legislative leadership. They did breakfast together in Maine. He did it every week, every month, every year for the 8 years or so he was Governor.

The President is doing something like that. He is doing like a DC version of that now. It is just great, and I urge him to keep it up.

DEFICIT REDUCTION

I will close with this: My colleague, the Presiding Officer, has heard me say this before. The President has heard me say this a few times as well, probably more than he wants to remember. But I think there are three things—if we are really serious about deficit reduction—three things we need to do.

I would mention, the first one of those is—go back to the Clinton administration. Erskine Bowles, the Chief of Staff, whom Sylvia helped, and others, put together, with Republican help in the House and Senate—it was then a Republican House and Senate in those years—they put together a deficit reduction plan. It was 50 percent revenues; it was 50 percent spending. They put together a balanced budget plan that led—for the first time since 1968, we ended up not with one balanced budget, not two, not three, but four balanced budgets in the last 4 years of the Clinton administration. It was 50 percent deficit reduction on the spending side and 50 percent on the revenue side.

For those 4 years, if you look at Federal revenue as a percentage of GDP, it ranged anywhere from 19.5 percent to 20.5 percent. That was the range—19.5 percent to 20.5 percent Federal revenues as a percentage of GDP—but the average was about 20 percent.

Look at last year. We had a big budget deficit. Federal revenues as a percentage of GDP were right around 16 percent. I think spending as a percentage of GDP last year was around 23 percent or so. But that gap between 16 percent in revenues as a percentage of GDP and spending at about 23 percent—and spending is coming down and the revenues are going to go up under the fiscal cliff deal, but we will still have a deficit—a substantial deficit, by historical standards—so we need to do something more.

The something more we need to do is, No. 2—after we address revenues, get them up closer to the historic mark of about 20 percent, where we were in the Clinton administration, 20 percent of revenues as a percentage of GDP, the second thing we need to do is entitlement reform.

I will use the President's words, and I think he has been courageous because not everybody in our party agrees with him on this. We need to reform the entitlement programs in ways that save money, do not savage old people or poor people, and preserve these programs for the long haul.

I remember I spoke to—it was back at Ohio State, where I did my undergrad as a Navy ROTC midshipman a million years ago—it was back a month or so ago, and I had a chance to talk to 400 fraternity brothers from different States, including the Presiding Officer's State, who were there for a weekend conference, a leadership conference. I talked to them about leadership. I also talked to them about making tough decisions and how we use our values to make these tough decisions.

I asked the 400 guys from across those eight States: How many of you think you will someday receive a Social Security check?

Not one hand went up.

I asked: How many of you think someday you might be eligible for Medicare when you are 65?

Not one hand went up.

My sons who are 23 and 24, they do not think they will. I want to make sure they do. I will predict that they will need it. I want to make sure that for our sons, our daughters, our grandsons, our granddaughters, our nieces, and our nephews, those programs are going to be there for them.

The President gets that. And we understand we cannot just keep doing business as usual. We are going to run out of money in the Medicare trust fund by—when?—2024, and we will start to run out of money—our inability to pay Social Security checks fully—by about 2030 or so. So we need to do something differently, and we need to be smart to do it so we do not hurt the least of these—the least of these—in our society. I think we can be that smart.

So first, we need some revenues. Second, we need entitlement reform that is true to Matthew 25: the least of these, looking out for the least of these. And the third thing—and this is where we have focused in our Committee on Homeland Security and Governmental Affairs, as the Presiding Officer knows—we have put together more than a dozen Democrats and Republicans in this committee who are—“rabid” is probably the wrong word, but I will use it—rabid about waste, rabid—r-a-b-i-d—about waste. What we believe—as I do—is that everything we do as human beings, we can do better. I think that is true of all of us. It is true of Federal programs. Everything we do, we can do better.