



United States  
of America

# Congressional Record

PROCEEDINGS AND DEBATES OF THE 113<sup>th</sup> CONGRESS, FIRST SESSION

Vol. 159

WASHINGTON, TUESDAY, JULY 9, 2013

No. 97

## Senate

The Senate met at 10 a.m. and was called to order by the Honorable TAMMY BALDWIN, a Senator from the State of Wisconsin.

### PRAYER

The Chaplain, Dr. Barry C. Black, offered the following prayer:

Let us pray.

Lord God almighty, recreate our hearts to love You above all. Rule our lives, creating in us a passion to do Your will. Give our lawmakers renewed strength and resilience to honor You in their work. May they do their best today as an expression of love and gratitude to You. Lord, replace weariness with well-being, anxiety with assurance, and caution with courage.

We pray in Your great Name. Amen.

### PLEDGE OF ALLEGIANCE

The PRESIDING OFFICER led the Pledge of Allegiance, as follows:

I pledge allegiance to the Flag of the United States of America, and to the Republic for which it stands, one nation under God, indivisible, with liberty and justice for all.

### APPOINTMENT OF ACTING PRESIDENT PRO TEMPORE

The PRESIDING OFFICER. The clerk will please read a communication to the Senate from the President pro tempore (Mr. LEAHY).

The legislative clerk read the following letter:

U.S. SENATE,  
PRESIDENT PRO TEMPORE,  
Washington, DC, July 9, 2013.

To the Senate:

Under the provisions of rule I, paragraph 3, of the Standing Rules of the Senate, I hereby appoint the Honorable TAMMY BALDWIN, a Senator from the State of Wisconsin, to perform the duties of the Chair.

PATRICK J. LEAHY,  
President pro tempore.

Ms. BALDWIN thereupon assumed the chair as Acting President pro tempore.

### RECOGNITION OF THE MAJORITY LEADER

The ACTING PRESIDENT pro tempore. The majority leader is recognized.

### KEEP STUDENT LOANS AFFORDABLE ACT OF 2013—MOTION TO PROCEED

Mr. REID. I move to proceed to Calendar No. 124, S. 1238, Senator REED's student loan bill.

The ACTING PRESIDENT pro tempore. The clerk will report the bill by title.

The legislative clerk read as follows:

A bill (S. 1238) to amend the Higher Education Act of 1965 to extend the current reduced interest rate for undergraduate Federal Direct Stafford Loans for 1 year, to modify required distribution rules for pension plans, and for other purposes.

### SCHEDULE

Mr. REID. Madam President, following my remarks and those of my Republican counterpart, the time until 11 a.m. will be equally divided and controlled, with the majority controlling the first half and the Republicans controlling the final half.

At 11 a.m. the Senate will proceed to executive session to consider the nomination of Jennifer Dorsey to be U.S. district judge for the District of Nevada. At noon there will be a rollover vote on confirmation of the Dorsey nomination. I would add that the chairman of the Judiciary Committee has asked that we hold that vote open until 12:30 p.m. today because they are having a confirmation hearing on the new Director of the FBI, Mr. Comey. We will do that, and the vote will end at 12:30 p.m. rather than 12:15 p.m. or 12:20 p.m.

Following that vote, the Senate will recess from 12:30 p.m. to 2:15 p.m. for our weekly caucus meetings.

In America, this great country of ours, a quality education is the surest path to the American dream. When I

was a boy, we always looked at that American dream as getting a college education, which, from where I came from, wasn't going to happen very often. Now the American dream is more than just getting an associate's degree or a bachelor's degree. It involves many other occupations, all of the things available in health care now, such as nursing, nursing assistants, all of the technicians, the people who do physical therapy—not physical therapists but people who help doctors do what they need to do. We have programs to become a physician's assistant. There are many programs that are important to be able to fulfill that American dream. There are all different kinds of programs for computer training separate and apart from getting a bachelor's degree. Those programs are extremely important. The reason they are important is we as Americans have decided that with the cost of education skyrocketing as it is, students should get some help, whether they are seeking a degree in engineering or getting into a program to begin some computer training to have jobs they want for the rest of their lives.

College has never been more expensive and further out of reach for American families. That is why it is critical that we keep interest rates low on Federal student loans so more promising students can realize their dream of an education.

Last month Republicans rejected the Democrats' plan to freeze student loan interest rates at current levels for 2 years without adding a penny to the deficit. Because of this obstruction, loan rates doubled on July 1, piling thousands of dollars more on debt that more than 7 million students owe. Republicans are instead pushing a plan to balance the budget on the backs of struggling students. But if either the legislation passed by House Republicans or the plan proposed by Senate Republicans becomes law, student loan rates will more than double over the

• This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.



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next few years as interest rates increase.

Speaker BOEHNER says that the House has acted and now the ball is in the Senate's court. We talked about that yesterday. What is he talking about—they have acted and now we should act? I guess we could talk about what they didn't do last year on the farm bill. I guess we could talk about what they didn't do last year on post offices. I guess we could talk about what they haven't done this year on the farm bill. We could talk about what they haven't done that is so devastating to small businesses around America, and that is having people who are online and don't build a single building, rent a single building—they get a different rate of return than do those in brick-and-mortar buildings. They do that because they don't have to pay sales tax. We could talk about why the Speaker is refusing to take up something that is meaningful.

As I say about this student loan issue—and I just had a meeting that ended a few minutes ago—if you can explain to me why these proposals the Republicans have are better than just having the rates double, please do that. But they go into all these gyrations about whether it is a T-bill, overnight T-bill, or 30 days or 6 months or—all this complicated stuff, and it is factual. I met with someone from the White House. I said, OK, tell me what happens in 3 years. The response was, oh, well, the rates will be above 6.8 percent. That is appalling. If someone can show me how all these programs they are coming up with are better than just letting things double, tell me.

We have a better proposal. Instead of pushing a plan to balance the budget on the backs of struggling students, I think we should support a plan that would be better for students, not worse for students. I repeat, we can't support a plan that would be worse for students than doing nothing at all.

They have to take action. The rising price of higher education means too many young people are deferring higher education. I hear all the stories. College education used to be cheaper. Well, because of what has happened here in Washington with the obstruction, we have to help people. There has been less support of higher education from the States. Tuition costs have risen significantly because of this. Students need help. We have to take action. The rising price of higher education means too many young people are deferring higher education, and it has saddled many who do get a degree with unsustainable debt—debt that causes them to delay buying their first home, having children, or starting a business. Americans have more than \$1 trillion in student loan debt. The average graduate owes more than \$25,000. In fact, Americans have more student loan debt than credit card debt. They simply can't afford to pile on even more.

We are going to continue to fight to keep the student loan rates low and

hold back the rising price of education. Tomorrow the Senate will vote on whether to even begin debate on our plan to keep loan rates low for an additional year.

I very much admire the work done by Senator STABENOW, the chairman of the Agriculture Committee. She is someone who is very effective in conveying a message. She has led the message for Democrats as to why we shouldn't let these rates double, and she will continue to do that.

As I indicated earlier, we made a proposal to keep rates where they are for 2 years. We have made changes to our proposal in an effort to meet Republicans in the middle while protecting students. Our plan shortens the extension from 2 years to 1 year, and it doesn't add a penny to the debt.

I spoke with the chairman of the Finance Committee today. I said: MAX, explain how we are paying for this. It is so simple. It is inherited IRAs, that people would pay after 5 years—they wouldn't get the tax deduction after 5 years. What our program does is it closes this obscure tax loophole that allows a few very wealthy individuals to avoid paying taxes on inherited retirement accounts. This is why Senator BAUCUS came up with this as a pay-for.

So I hope Senate Republicans won't block a second commonsense plan in investing in our economy by keeping college affordable. We have reduced it to 1 year from 2 years. It would be great if we had a long-term solution to this, but we can't do something that hurts students very quickly. Some have said: Well, it is going to be for a year or two, and there will be lower interest rates. Yes, but after that it will be "Katy, bar the door." We all know interest rates are going to go up.

#### DORSEY NOMINATION

Before the lunch, as I have indicated, we will consider the nomination of Jennifer Dorsey to be U.S. district judge for the District of Nevada. She will be a valuable addition to the Federal court system. She is a Las Vegas native. Her father was stationed at Nellis Air Force Base and after Vietnam decided that was where he wanted to make his home. He started his family there.

Ms. Dorsey graduated from Chaparral High School and graduated cum laude from the University of Nevada, Las Vegas. She was also the first member of her family to graduate from college. She served as a congressional intern for my friend and former colleague Senator Richard Bryan. She attended Pepperdine University School of Law, where she was a member of the Pepperdine Law Review.

After graduation she returned to Las Vegas and excelled, first as an associate and now as a partner, at the firm Kemp, Jones & Coulthard, a longtime brave, proud Nevada law firm. She is the first and only female partner in that firm. She specialized in civil litigation, complex commercial disputes, appeals, and class actions.

I am very impressed with her dedication to the State of Nevada, her community, and the legal profession. She will make an outstanding Federal judge for Nevada. I look forward to her confirmation.

#### RECOGNITION OF THE MINORITY LEADER

The ACTING PRESIDENT pro tempore. The Republican leader is recognized.

#### STANDING FOR DEMOCRATIC RIGHTS

Mr. MCCONNELL. Over the years we have seen repeated instances of indifference to the rule of law on the part of this administration. It is a consistent and worrisome path. The most recent example, of course, was last week's announcement that the President had simply decided not to enforce a major piece of his health care law—that is, until after the midterm election. What the President was saying in effect was that if he doesn't want to implement the law he has signed, he doesn't have to.

I agree it is a terrible law. I understand why people harmed by it would want it changed. In fact, I think we ought to repeal it altogether and opt instead for real reforms that actually would lower costs. But the fact is—for now, at least—it is the law and it is the President's constitutional duty to enforce the law. Yet, instead of fulfilling this basic duty of his office, the President seems to believe he gets to decide who is subject to the law. He gets to decide who is subject to the law and who gets a pass. So last week businesses had their ObamaCare sentences delayed. Maybe next week it will be some other group, but it is his call. He will decide what the law is. He did it with immigration, he did it with welfare work requirements, and he did it with the NLRB when he took it upon himself to tell another branch of government when it was in recess. He is doing it again with his own signature health care law.

Imagine that the current occupant of the White House was not President Obama but a Republican. Imagine that. Pretend that this Republican had come to office promising an era of inclusion and accountability, but as the years wore on he simply had grown tired of the democratic process.

Imagine that this President, despite securing confirmation for nearly every nominee he submitted, couldn't understand why the elected Senate didn't simply rush them all through even quicker. He couldn't understand why Senators insisted on fulfilling their constitutional obligations to scrutinize each nominee.

Visualize for a moment that this President decided to urge Members of his party to break the rules of the Senate so that he could appoint whomever he wanted regardless of checks and balances. Imagine the outrage in the media, online, and especially on the other side of the aisle. They would claim the President was a dictator. They would say he was ripping the Constitution to shreds, basically everything they said for so many years

about President Bush. But, of course, President Obama isn't a Republican, and so Washington Democrats seem just fine with it. In fact, it appears they are even ready to help this President—actually help him—in his partisan power grab.

I know Washington Democrats are getting a lot of pressure from big labor bosses and from other far-left elements of their base to do this. These folks have told Democrats it is time to pay up, and they do not have much time for things such as the democratic process or the rule of law. They have raised a ton of money for the Democrats and now they want the special interest treatment they believe is owed to them. That is why we see the other side cooking up phony nomination fights. They are cooking up a phony nomination fight because they want to go nuclear, but they know the facts simply aren't on their side to justify doing so. They know their core argument, that President Obama's nominees are being treated less fairly than those of President Bush, is essentially at odds with reality. It is a complete fiction. They have gotten burned by the fact checkers already. President Obama's nominees for Secretary of Transportation and Energy were unanimously confirmed. Secretary of State? Confirmed. Treasury? Confirmed. Interior, Defense, Commerce? Check, check, check.

Already in this Congress the Senate has approved 27 of President Obama's lifetime appointments. That compares to just 10 at a comparable period in President Bush's second term. And, by the way, my party controlled the Senate at this point in President Bush's second term. He got 10, President Obama has 27. In other words, President Obama has just settled back into office and already he has secured nearly three times—three times—more comparable judicial confirmations.

Look, to justify doing something as extreme as the left wants, you better be prepared to make a rock-solid case, and this is the best they can come up with, that we need to change the rules of the Senate because big labor bosses say so; that the left should be allowed to fundamentally change our democracy because the President is only getting nearly everything he wants—nearly everything he wants—rather than everything he wants at the exact moment he wants it? Let's get real here. This is not how a democracy functions.

If this were a Republican President and the shoe were on the other foot, does anyone seriously believe Washington Democrats would be going along with something so utterly preposterous? Of course not. Remember, the current majority leader once said the nuclear option would "ruin our country." That was said by the fellow who sits right over here, the current majority leader of the Senate. And a former Senator from Illinois named Obama said if the Senate broke the rules to change the rules "the fighting, the bit-

terness and the gridlock [would] only get worse." Boy, he was right about that.

What I am saying to President Obama and his friends on the far left is this: The facts show you are getting treated pretty darn well on nominations as it is. But if you would like more confirmed, if, for instance, you want the Senate to confirm your nominees to the NLRB, then don't send us nominees who have already been declared illegal by the courts. We have already said that is not going to happen. You know you can't look Americans in the eye and say you would vote for such a thing if you were in the minority so don't expect us to. But if you send us fresh picks, we will happily give them a fair hearing, just as we have been doing all along with all of the rest of the President's nominees. Almost all of them have been confirmed. Most have been confirmed almost unanimously, because we in America know that majorities of either party will never get absolutely everything they want. That push and pull is the hallmark of a healthy democracy. And one day—maybe not in the too-distant future—when our Democratic friends in the majority are invariably returned to the minority, they will thank us for standing up for those democratic rights.

Madam President, I yield the floor.

#### RESERVATION OF LEADER TIME

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

#### ORDER OF PROCEDURE

The ACTING PRESIDENT pro tempore. Under the previous order, the time until 11 a.m. will be equally divided and controlled between the two leaders or their designees, with Senators permitted to speak for up to 10 minutes each, with the majority controlling the first half.

The Senator from Michigan.

Ms. STABENOW. Madam President, I rise today because tomorrow in the Senate Chamber we will vote on whether to let student interest rates double from 3.4 percent to 6.8 percent. This should not be controversial. This should have been done before July 1. Now we are trying to retroactively fix this.

We have attempted to bring this to the floor and vote on it before on a number of occasions. We have seen a Republican filibuster blocking us from doing that. This week I am hopeful we can get the necessary bipartisan vote to overcome the filibuster and be able to send a very strong message to students across the country that we understand this is a huge issue for them and their families, a huge cost, and that raising the rates will only be another barrier to creating opportunity for students in the future and, frankly, having a middle class in this country.

What is happening to the students and the debt involved is very serious, and it is stopping many young people from being able to move ahead and

achieve their dreams. At a time when interest rates for everything else are at historic lows, why in the world would we double the interest rates for young people or older people going back to school who are trying to get an education and the work skills they need? Why would we allow that when we can get mortgage rates right now from 3½ to 4 percent or a car loan for about 4 percent? I could go on and on.

Here is the shocking thing. If the rates are doubled—if in fact what kicked in on July 1 is allowed to stand—it will mean a huge profit for the Federal Government. That also makes no sense. It will mean some \$50 billion for the Federal Government, according to the Congressional Budget Office. Why should the government profit off the backs of students who are struggling to get an education so they can get ahead?

We have a fundamental disagreement in this body between the majority of Democrats and the majority of Republicans on that question. It is a fundamental difference about what we should pick as a priority for our country. Frankly, for nearly 300,000 students in Michigan who will be forced to pay an extra \$1,000 on their loans this year, it makes no sense.

I remember growing up in a little town in northern Michigan, working hard, getting good grades in my small class of 93 people, being at the top of the class, and wanting to go to college. But my dad became very ill and we couldn't afford for me to go to school. I was the first one to get a college degree in my family. I managed to go to school because the State of Michigan and the Federal Government at that time placed a value on educating kids like me, who didn't have a lot of money but had worked hard and had good grades and thought we ought to have a shot. I had a tuition and fee scholarship, and so I was able to go to college.

I put that scholarship together with working on campus and with student loans and I was able to get a bachelor's degree. I was then able to go on and get a master's degree and came out of school having to pay off the student loans. But because some folks—who didn't know this redheaded, freckle-faced kid from Clare—decided this was an important value for America, this was an important value for our State, I had a chance to work hard and follow the rules and make it. And who would have thought then I would have the opportunity to be here today?

I want that same opportunity for every young person in Michigan and every person going back to school in this country. Fundamentally that is what this is about. It is not about numbers. It is not about numbers. It is about whether, when we subsidize all kinds of other things—banks, and even the farmers I fight for, to help them with their crop insurance, and subsidizing rates for insurance to do things because it is good for the economy—why in the world would we walk

away from that most basic set of values when it comes to our students?

Colleagues on the other side of the aisle say: Let's do something where we peg a rate. It is like a credit loan teaser rate. Sign up now at zero interest or 3 percent, let's put it there, and then over time it balloons like crazy and you are stuck. Those are the kinds of proposals we have gotten from the other side of the aisle. It sounds good now, but it is horrible later. I know a lot of folks who signed up for variable rate mortgages and balloon mortgages who ended up in the same situation. We are saying: No, we want a fixed rate. We want it low and we want to make sure students are placed as a priority.

So after all kinds of negotiations, we have said: OK, you don't want to continue the rate for 2 years. Let's do this: Let's continue it for 1 year at the low rate of 3.4 percent, and then let's all get together to figure out what to do about helping out with this \$1 trillion in student loan debt right now. That is the student loan debt across this country. We need to help them figure out how to refinance that lower rate and then we can deal with the long-term cost. That is what we are trying to do. It doesn't make sense, when student loan debt in the country is over \$1 trillion, when students are already sacrificing and scraping together the money to get an education, to double the rates on those student loans.

So when we look at this, we are looking not only at today but over time. In every proposal that has been put forward—and there are a lot of folks working, and I know there are conversations going on with folks who want to solve this problem—they all end up with the rates going up higher than even doubling the rate to 6.8. Why does that make any sense? Why would folks propose that? We have a fundamental difference in how we view this issue of the cost of college and whether there is a role for the Federal Government.

Do we as a country have a stake in keeping costs as low as possible, interest rates as low as possible? I would argue, yes, we do. And if we want to stop subsidizing things, I can think of a whole long list of what we could stop subsidizing. We could stop subsidizing the top five wealthiest oil companies in the country, which have more profits than anyone in the world. We could stop subsidizing them. We could stop the loopholes that are taking our jobs overseas. We could stop doing that. There are a lot of things we could stop that would save money. We should not put all this on the backs of students. We should not say that somehow we should make a profit to pay down the debt on the backs of students, when in fact there are so many other areas where we should be asking people to chip in a little bit more, not those who are already working hard to get a basic education.

We know we have to have a comprehensive approach, but until that

work is done we should keep interest rates low. We should keep them where they are. And I have great confidence in Chairman HARKIN and his committee, and Senator JACK REED, who has taken so passionately the lead on this. Senator KAY HAGAN and Senator REED are our leaders on the bill we will be voting on tomorrow. Senator WARREN, and so many others—Senator BOXER I know has spoken out so many times, as has Senator SANDERS, and on and on, as well as the Presiding Officer. We all care passionately about creating a long-term solution for students that keeps costs low so we can keep dreams high and success high in achieving those dreams.

I wish to thank so many for signing petitions and sharing their stories with us. I would urge folks to get involved in the conversation by joining us on Twitter, with the hash tag "don't double my rate." There is a lot of conversation going on and information that folks can find out about what we are doing.

I want to read two e-mails from constituents of mine. Corey, a student at Central Michigan University, sent me an e-mail about how this would make it difficult for him to continue his education.

As one of the taxpayers that you represent, I am asking you to please not allow my student loan rates to be doubled. I am a hard-working and respectful student. I make all of my payments. I go to class and do well. I work hard and am grateful for the chance to get a higher education, but if student loan rates go up I would be left to make a decision whether or not school will be affordable.

From the time we first start learning, we are encouraged to attend college and get a good job so that we can be a part of helping this country grow. I am simply asking you to help continue to make this an affordable option for me, and many others like me.

That story can be replicated all across Michigan and all across the country: Will young people be able to stay in school? Will they be able to come out of school and get the job they want versus aiming for a job that relates to their ability to pay back their student loans?

Then an e-mail from Matthew in Royal Oak:

Students are not asking for a bailout like the one that Wall Street got, just an opportunity to obtain an affordable education so we can compete in the global economy.

That is what this vote is about tomorrow. The Keep Student Loans Affordable Act simply says we are going to tackle this very serious issue for families across the country in two steps: keep the interest rates low where it is for a year, and then make a commitment to work together to fix the larger issue of the cost of college going forward.

I don't think there is a more important issue for the future of maintaining or recreating a middle class in this country than making sure we can allow everyone who wants to go on to college and get the skills they need to be successful in tackling and meeting their

dreams than to make sure that college is affordable. A big piece of that is the interest rate on the loans that millions of students are taking out right now and counting on us to make sure they are affordable.

Tomorrow the question will be whether a filibuster continues on this issue. I think folks probably scratch their heads. We had a majority of people who voted—all Democrats—before to continue the interest rates at the current level of 3.4 percent. Because of the nature of the Senate and how things work, if there is an objection we have to go through this process to be able to overcome what is essentially a filibuster and we have to get 60 votes. So tomorrow we are going to have to get 60 votes, which means we need a handful of Republican colleagues to join with us to make a statement that we should continue interest rates at the low level while we work together in a bipartisan way to solve the long-term problem.

We have over \$1 trillion in this country in student loan debt. It is more than credit card debt. I was surprised to see that. We have to help families tackle that debt. I would like to see refinancing options when interest rates are so low, and many of those are much higher interest rates. We need to tackle that. We need to tackle the overall costs of going to college and what is happening for low-income students as well as middle-class students.

There is a lot to get done, but it has to start by doing no harm. And that is the vote tomorrow: Do no harm. Let's make sure we at least keep the rates low now. We know there is a philosophical difference about whether we should actually help subsidize student loans. I think, of all the things we could subsidize, I would start with education.

Tomorrow the question is, Do we do no harm? Do we keep the interest rate where it is while we work out a long-term solution? Do we make a very strong statement that if we are going to set something as a priority for this country, if we are going to outcompete and outeducate in a global economy, it has to start with making sure advanced higher education is affordable for everyone who wants to work hard and play by the rules and go to college?

That is what the fight is about. That is what the vote is about tomorrow. I hope we will have an overwhelming bipartisan vote. If not, we are going to continue to do everything possible to tackle this issue because I think families across America are counting on us.

I yield the floor.

The ACTING PRESIDENT pro tempore. The Senator from Vermont.

Mr. SANDERS. Madam President, over the July 4th recess I had the opportunity to talk with a number of young families about the crisis of student debt. Without exception, this is what they said: Please do not double the interest rates on subsidized Stafford loans from 3.4 to 6.8 percent.

Please make college financing more affordable, not more expensive.

This is an issue which not only impacts millions of families, it impacts our entire future as a nation and our economy. Right now, working-class families all over this country are asking themselves a very simple question: Does it make sense for them to go \$40,000, \$50,000, \$100,000 in debt in order to get a college education? Many of these young people and families are saying: No, it doesn't make sense.

So in a competitive global economy, we are saying to families all over this country that we do not want their kids to get a college education. We don't want them to become doctors, nurses, businesspeople, scientists, and teachers. We don't want them to expand their intellectual capabilities and make us a competitive nation in this highly competitive global economy.

Now, if that makes sense to somebody, it surely does not make sense to me. The doubling of student loan interest only makes an existing crisis even worse. According to a report by the Consumer Financial Protection Agency, the total student loan debt in the United States now exceeds \$1.1 trillion, which is nearly triple what it was in 2004. The average loan balance for American graduates has increased by 70 percent since 2004.

Average student debt is near \$27,000. In Vermont, it is even higher—over \$28,000.

The burden of student loans is making it much harder for young people to get mortgages and buy homes. Home ownership rates for young adults are among the lowest in decades. Young people are putting off marriage and having children partly because of the burden of student debt.

Over the last several months I have asked Vermonters—and people, in fact, all over the country—to send me their experiences, to tell me what this crushing debt of student loans means to their lives. We received over 700 responses from all over America. What I would like to do is very briefly read to you some of the responses I received from the State of Vermont.

Emily Decker from Colchester, VT writes:

Watching the interest eat away my savings every month is hard to swallow. To the point where we are not saving any money because we put anything extra toward my loans so we can pay them back ASAP. This is putting our plans for having a family on hold because we want to have our finances in better order before doing so.

In other words, Emily writes they are hesitating having kids because they can't afford to do so at the current time.

Andrew Craft from Burlington, VT writes:

I am a 25 year old full-time college student at Champlain College. I am a single mother. I am already \$20,000 in debt and I still have one more year to go before I graduate. I am currently at an internship working part-time on top of school and parenting, but I often feel like I am not ever going to be able to

“get ahead” and “make it” in spite of my advantages.

Allison LaFlamme from Johnson, VT writes:

I cannot refinance my house, because even though my cars, home, and credit cards are perfect on my credit score our debt to income is too high because of our student loans.

Melissa Weber from Rutland, VT writes:

I have found myself struggling to survive independently as a 25 year old with a Master's Degree. Yes I have achieved a degree, of which I am proud, but I have also accumulated an immense amount of debt that will likely haunt me for the majority of my life. As a result of my daunting loan payments I find myself barely surviving on an income that should easily support a small family.

Evan Champagne from St. Albans, VT writes:

My wife and I both have \$50K-\$60K of loan debt each. We both have good jobs, but a large percentage of our income is used to pay back student loans. There are no low interest consolidation options available. If there were, that would also help. The education process should be rewarding and create opportunities. For my wife and I, it did the opposite.

The American people want us to come together and solve this problem now, not make the situation worse. When we tell people who are struggling with these horrendous debts that the Stafford subsidized loan rate is going to double and there are proposals out there that make a bad situation worse, they respond in disbelief. They remember in 2009 when Wall Street collapsed because of their greed and illegal behavior, we bailed them out. They understand that today we are providing large Wall Street institutions with interest rates of less than 1 percent. They are asking: If you can bail out Wall Street—people whose greed caused the current recession—how come you can't protect working-class and middle-class families and enable their kids to get an affordable college education?

The Republicans in the House passed a proposal. Unfortunately, it is a proposal which makes a bad situation worse. Under the House Republicans' proposal, all student loans would have variable interest rates, exposing graduates to market conditions. Even though the House Republicans' proposal caps interest rates, the Congressional Research Service estimates that students who take out the maximum subsidized student loan amount will pay nearly \$6,000 more over the life of that loan than they would if rates are kept where they are today.

The so-called bipartisan student loan bill being discussed in the Senate would also be a terrible deal for students, especially in the coming years. It provides no cap to protect students for the first time in the history of the student loan program. If this proposal were to pass, according to CBO projections of interest rates, by 2018 student loan rates will go up significantly.

Short term, we have to keep student loan interest rates at 3.4 percent. Long

term, we need a national solution to make sure college is affordable for all Americans.

The ACTING PRESIDENT pro tempore. The Senator from Wyoming.

#### HEALTH CARE

Mr. BARRASSO. Madam President, last week our Nation celebrated America's Independence Day, and the Obama administration took advantage of the holiday to slip out a couple of announcements about its health care law. The first one came late one day as the media and most of the Nation were distracted by their plans for the Fourth of July. The administration finally had to admit to all of America that their health care law is unraveling before their eyes. Several months ago Senator BAUCUS predicted that the law was headed for what he called a train wreck, and last week we saw the train go off the rails. What happened was the Treasury Department put out a blog post, written by an assistant secretary late in the day on July 2, that said it would postpone the implementation of the employer mandate part of the health care law until 2015.

This was one of the signature parts of the President's health care law. Under the law, every employer with more than 50 people working 30 hours or more a week was going to have to offer expensive government-mandated health insurance. Now we have a 1-year delay of this extremely unpopular and damaging Washington mandate. Anytime you see the Obama administration leak news like that late in the day right before a holiday with the President out of the country, you can bet it is bad news for him and for them. Presidents do not delay things that are popular and that actually people want and like. When you see them try to hide it in a blog post, that is another sign. Here is what the New York Times said, front page:

Crucial mandate delayed a year for health law.

Large companies won't need to offer plans until 2015. GOP seizes on shift.

The Washington Post ran a headline, page 1:

Health-care rule is delayed a year. A setback for Obama law.

The Wall Street Journal said:

Health law penalties delayed.

The Obama administration has tried to hide its bad news, but it failed. It also tried to spin the collapse of one of the law's most important features as good news. But as we see it here, Washington Post, “A setback for Obama law.”

The Treasury Department's blog post claimed it was implementing the law “in a careful, thoughtful manner.” If they were interested in careful and thoughtful, Washington Democrats never would have pushed through this reckless law in the first place, a law that many of them admit they never even read. Using that much Washington spin when it tries to sneak out bad news is another sure-fire sign that

the White House is trying to hide the train wreck. The President and his supporters have been bragging about this part of the law for years. Now here they are quietly dropping it for a year and pretending things are going well for the law.

What does this announcement mean? First of all, this is a clear admission that the President's health care law is unaffordable, unworkable, and unpopular. Second, it may be too late. Here is a headline from CNN Money yesterday. They wrote:

For Fatburger and others, Obamacare delay came too late.

The article says for many small businesses such as fast-foot franchises, they have already begun adjusting to the law's burdensome requirements. One business owner said the delay won't help his employees. He said:

All it's doing is causing confusion, anxiety, and the workers are paying the price.

The workers are paying the price. Now the mandate's a moving target. It's very, very challenging.

For a lot of businesses, the adjustments they had to make included cutting back workers' hours. Let's look at the latest employment numbers released last Friday. In June, the number of people working part time—these are people who actually want to work more—soared by over 322,000. There are now 8.2 million Americans working part-time jobs because their hours were cut back or because they could not find full-time work. Republicans have been warning this would happen because of the Democrats' health care law and that is exactly what has been happening for months now. The White House admitted as much when it said employers needed relief from the logistical mess the law created.

If the law makes it so bad for businesses that they can't handle it in 2014, I will tell you it is still going to be bad for them in 2015. If it is bad for employers, it is going to be bad for men and women on the street, the hard workers of America. When do they get relief? Will the administration now postpone the requirements that every man, woman, and child in America has to buy expensive government-mandated insurance? I hope they do. You can bet labor unions and other special interest groups are going to step up their lobbying to postpone the parts of the law that hurt them. Even the Commonwealth of Massachusetts is asking for a waiver from portions of the law.

Let me be clear. I think it is a good thing for employers that they will not have to face this job-killing mandate next year, but why should they have to face it at all? Is the Obama administration finally seeing the light on what a disaster it will be to implement or is it another gimmick? Well, as Ronald Reagan once said:

They only come around on your side when they want to get their hands on your wallet.

This 1-year postponement is not a real solution. It is not designed to help job creators or taxpayers. It is designed

to delay the train wreck until after the 2014 elections. This 1-year postponement, in my opinion, is a cynical political ploy to try to fool the voters one more time.

Don't just take my word for it, because CNBC asked Peter Orszag about it the other day. People know he headed President Obama's Office of Management and Budget in the President's first term. He was a big proponent and supporter of the law. He told CNBC that White House officials "by definition," he said, thought that delaying the employer mandate would help them politically "or they wouldn't have done it."

"By definition," therefore, they thought it would help them "or they wouldn't have done it."

If they didn't expect it to help them politically, "they wouldn't have done it." That is an incredible admission by a member of the Obama administration, his inside team. Just because the President thinks this is good for him politically doesn't mean it is good for the country.

On Friday, the Obama administration also tried to sneak out another admission that its health care law is not working. Remember, even though employers have another year before their mandate kicks in, all the people still have to buy expensive Washington-approved, Washington-mandated insurance and they have to do that by this upcoming January 1. To try to hide some of the costs, taxpayers are going to subsidize the higher premiums some people have to pay.

The Wall Street Journal just last Monday:

Insurance Costs Set For A Jolt. For the healthy, rates could soar under new law.

Insurance Costs Set For A Jolt.

To try to hide some of the cost, taxpayers are going to subsidize the higher premiums some people would have to pay, but the prices are going to go up so high subsidies may cover some but not all. If someone wanted the subsidy, the government, of course, will have to verify those people deserve the subsidy.

Not anymore, because now, under the administration's new policy, buried away in 606 pages of regulations, on Friday, they said nobody is going to check those answers.

In an editorial yesterday, the Wall Street Journal called these "ObamaCare's liar subsidies." The paper agreed that managing the law's rules and regulations was complicated:

"Yet," the editors of the Wall Street Journal wrote, "this is the system Democrats installed when they passed the law, which is not supposed to be optional due to administrative incompetence."

Administrative incompetence is exactly what this is. It is also a recipe for rampant waste, fraud, and abuse. And it is an abuse in the taxpayer subsidies.

I have criticized the complicated process the administration was setting up to verify people's subsidy applications. That is because I think it is a

tremendous example of government overreach and because Washington bureaucrats at the IRS and other agencies have shown they can't be trusted with that kind of information. The solution now, apparently, is to scrap the verification system. We should be cutting the cost of insurance. That is what people wanted. That is why we had health care reform, to get down the cost of care, not driving up the costs, giving subsidies to a select few people and giving Washington more power to watch over the whole system. The American people do not need to put off the wreck until the train goes around one more bend. They want to stop the train wreck from happening at all.

The American people want more than a temporary delay of one part of this terrible health care law. They want a permanent repeal of the whole thing. Now that the Obama administration has admitted its law is too complicated and would have too many negative side effects, it is time for it to set aside the political games and do what is best for the country. It is time to repeal this bad law and replace it with health care reform that will work.

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

The PRESIDING OFFICER (Mr. SCHATZ). Without objection, it is so ordered.

Mr. ALEXANDER. Mr. President, I come to the floor to ask my Democratic colleagues to take another look at the student loan issue that will be before us tomorrow. We are playing with real lives here. These are about 11 million students who are going to college in the fall. They will be taking out 18 million loans for this year. Taxpayers will be loaning them over \$100 billion. The only proposal we are going to be voting on tomorrow appears to be one that will leave over 7 million middle-income college students swinging in the wind, paying about twice as much in interest rates as they should be paying.

At the same time, we have a proposal that is based upon a recommendation by President Obama that is like legislation already passed by the Republican House of Representatives that is supported by an Independent and two Democratic Senators and three Republican Senators that would lower student loan interest rates on every single one of the 18 million new loans that would be taken out next year and cut nearly in half the interest rates on loans for undergraduate students, which make up two-thirds of the loans.

I ask the question, why would we do a 1-year political fix that only helps students taking 40 percent of the loans, when we have before us a bipartisan proposal that is close to the idea of the

President and the House that would help every single student, and especially why would we do that when we leave middle-income students twisting in the wind, paying hundreds of millions of dollars more in interest rate than they should be paying over the next 10 years?

The student loan issue is becoming like what we call the doc fix, where Congress, for political reasons, every year rushes around and makes a temporary patch. There is no need to do that here, no need whatsoever.

I ask my friends on the Democratic side to look at what the President has proposed and the reasoning behind it. It was in his budget. Look at what the House of Representatives has done. They actually passed a bill that lowers rates. Then look at the proposal by Senator MANCHIN, Senator CARPER, Senator KING, Senator BURR, Senator COBURN, and myself in the Senate. What our proposal would do is provide a long-term solution: if you are an undergraduate student at the University of Tennessee, instead of your rate being 6.8 percent, it would be 3.66 percent. The Democratic proposal, I repeat, does nothing for over 7 million middle-income students who are going to be paying 6.8 percent when they should be paying, if they are undergraduates, 3.66 percent under our proposal. That is nearly half as much. There is no need for that.

This is like other political situations, we have some misinformation going back and forth across the aisle. I hope my colleagues will take a look at the Burr-Manchin proposal. The right thing for us to do is to say to these 10 million students, all of them, every single one of them, that when you go to take out your 18 million loans this year you are going to be paying a rate that is fair to taxpayers and fair to students. It is fair to taxpayers because it will not be costing the government any money and it is fair to students because the government will not be making any money. It will not be reducing the deficit on the back of the students. That is the principle upon which we can agree—fair to taxpayers, fair to students; doesn't cost the taxpayers, doesn't balance the budget on the backs of students. On that basis we can say to students: Take advantage of these low rates. You can get a 10-year loan if you are an undergraduate at 3.66 percent. There is no need to pretend we are helping students when the alternative proposal only addresses 40 percent of the students. These are the subsidized loans. These are the loans for the low-income students, who already get, for the most part, Pell grants, who already have their interest paid while they are in school—that is a big subsidy. It is over \$50 billion in the next 10 years. We leave the middle-income students over 7 million of them—over the next 10 years paying hundreds of millions of dollars they shouldn't be paying. I don't know why my friends on the other side want to leave the mid-

dle-income students of America twisting in the wind, paying higher interest rates than they should.

So let's step back and look at the facts. Let's look at the President's proposal, look at what the House passed, and look at the bipartisan Burr-Manchin proposal. I respectfully urge the majority leader to allow us to vote on that. I urge my colleagues on the other side to coalesce around that idea. Let's say to the students of America: As the Senate, we know a good idea when we see one, and the Burr-Manchin proposal is such an idea.

#### EXECUTIVE SESSION

#### NOMINATION OF JENNIFER A. DORSEY TO BE UNITED STATES DISTRICT JUDGE FOR THE DISTRICT OF NEVADA

The PRESIDING OFFICER. Under the previous order, the Senate will proceed to executive session to consider the following nomination, which the clerk will report.

The legislative clerk read the nomination of Jennifer A. Dorsey, of Nevada, to be United States District Judge for the District of Nevada.

The PRESIDING OFFICER. Under the previous order, there will be 1 hour for debate equally divided in the usual form.

The Senator from Washington.

Mrs. MURRAY. Mr. President, I ask unanimous consent to speak as in morning business.

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

#### STUDENT LOANS

Mrs. MURRAY. Mr. President, we are here today because, unfortunately, the financial burden on our Nation's college students dramatically spiked overnight 8 days ago, including for over 100,000 students across my home State of Washington, where 56 percent of college graduates leave school with a student loan debt, and the average amount they owe is more than \$22,000. Just when they are getting started on their careers, instead of buying a house or buying a car or just paying the bills, their student loan bills are piling up with interest.

Now interest rates for Federal student loans, which have been kept at a low rate of 3.4 percent, have doubled to 6.8 percent. For these students and for millions of students across the country, that is a tax hike of \$1,000. That is not fair to students, and it is certainly not good for our economy. Congress has to act to fix it.

This isn't just an abstract issue for me; it is very personal. Pell grants and student loans were what allowed my six brothers and sisters and I to go to college after my dad got sick and had to leave his job. They are what made college affordable, and they are what allowed each one of us to pursue a career and give back to our communities. Because our government was there to

help my family and help us through hard times, those seven kids in my family grew up to be a firefighter, a lawyer, a computer programmer, a sports writer, a homemaker, a middle school teacher, and a Senator. In my book, that was a good investment by our country and our government.

My family's story is far from unique. In fact, last week I traveled around my home State of Washington listening to student after student after student describe the real-life impact this rate hike would have on them. Students such as Elizabeth from Vancouver, WA: She is a sophomore at the University of Washington. She comes from a family of five children with immigrant parents who work hourly low-wage jobs.

She told me growing up, the idea of paying for college was overwhelming, but thanks to scholarships and grants and loans she is able to pursue her dream of becoming a broadcast journalist. However, her part-time work-study position barely covers her bills, and she says she is constantly plagued by stress as she worries about how she is ever going to overcome what she calls her "debt sentence."

The reality is this is a simple issue. College is already too expensive for students such as Elizabeth, and Congress shouldn't make it worse. So I am very proud to join my colleagues in supporting the Keep Student Loan Rates Affordable Act to extend the 3.4 percent interest rate, and I urge our friends on the other side of the aisle to join us and pass it.

With student loan debt now exceeding \$1 trillion, students and their families deserve due process and thoughtful consideration of issues such as financial aid. Students have already contributed billions to deficit reduction, but the problem is the Senate Republican leadership has insisted in all of their proposals that we balance the budget on the backs of struggling students and their families. So far, they have refused to put the interest of students and tomorrow's middle class ahead of Tax Code spending that benefits the wealthy.

What they have introduced is a bill that includes no cap on how high student loan rates could go—something CBO tells us would mean students could be locked in at rates over 8 percent in just a few short years. In effect, it would be better to do absolutely nothing now than to take up and pass the Republican bill.

I bet everybody listening knows a family member or a coworker who is up to their neck in student debt. It is a weight that keeps them from helping to grow our economy or start a family or take risks with their careers, and it is a weight that is not easily shed.

We can't continue to do this to generation after generation of college students and expect to be able to compete in the 21st-century economy. We have to do everything we can to remove barriers to education, not erect new ones.