

As families flock to enjoy these affordable destinations, they stop at our local small businesses, they eat at our restaurants, and they stay in our hotels. In 2011, out-of-State tourists to national parks in North Carolina spent \$720 million during these trips, which supported nearly 12,000 jobs.

I do not know how many of my colleagues have been fortunate enough to visit western North Carolina at this time of the year. But right now the fall leaves are turning and western North Carolina is opening its arms to welcome tourists from around the country and from around the world who come to see this beautiful landscape.

On the other side of the State, in the east, we have Cape Hatteras National Seashore and Cape Lookout. They are both closed. October is the most popular surf-fishing month of the year. But with beach access closed our fishermen cannot get to the fishing areas.

With parks from out west all the way to down east closed, we fear too many families will decide to cancel their vacations. So I ask, is it worth shutting down the government over political games when our small business owners who support our economy will be the ones to shoulder this burden? No.

In my home State we are proud that our university system includes a number of distinguished research institutions that are on the cutting edge of new technologies and therapies that will make our world better. NIH supports roughly 20,000 jobs in North Carolina. But the NIH will not take any action on grant applications or awards or admit new patients to clinical trials while our government is shut down.

So I ask, is it worth putting medical advances and thousands of jobs at risk just to play a tired political game? No. I could go on and on. While new vaccines are still being delivered, the CDC is not able to track flu cases as usual. They cannot support State and local partners who help monitor infectious diseases.

The FDA is not able to support the majority of its food safety activities. Pell grants and direct student loans could be delayed for 14 million American students. School districts, colleges, and job training centers could face major cashflow problems without money for Federal programs and grants coming in the door.

Our research universities, in addition to doing this cutting-edge research that benefits our entire country, are huge employers. Some of them receive tens of millions of dollars a month in reimbursement for work already performed for the Federal Government. Without those funds coming in the door, these universities can be put in an incredibly difficult position with respect to managing their expenses—not to mention the time lost in Congress when we should be talking about how to continue repairing our economy; we should be talking about how to improve job training programs; we should be talking about growing manufac-

turing in our country. But instead, we are just manufacturing crisis after crisis after another. There is no reason we cannot end this shutdown.

Fortunately, there is a simple solution. The Senate has passed a responsible bill that keeps the government running at currently reduced spending levels. The House of Representatives could pass that bill today. This shutdown could end within a matter of hours. Then we could have the time and space to come together on a long-term, balanced, and bipartisan plan to finally put our fiscal house in order. Instead, the other side of the Capitol insists on sending us bills that they know have zero chance of passing or becoming law over here just to stage a political stunt.

But political stunts will not process VA claims. Political stunts will not help restaurant owners in western North Carolina make payroll while the national parks are closed. Political stunts will not get this government reopened for business. I urge my colleagues in the House of Representatives to stop playing this partisan game, take up the Senate-passed bill, and end this government shutdown.

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

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

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

The PRESIDING OFFICER (Ms. HEITKAMP). Without objection, it is so ordered.

#### EXTENSION OF MORNING BUSINESS

Mr. SCHUMER. Madam President, I ask unanimous consent to extend the period of morning business for debate only until 5 p.m., with Senators permitted to speak therein for up to 10 minutes each, and that the majority leader be recognized following morning business.

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

#### IMPACT OF DEFAULT

Mr. SCHUMER. Madam President, I rise today with just 9 days left until the United States hits the debt ceiling. Never before in our history have we failed to pay our bills, but in 9 days that possibility will reach our doorstep.

Even though defaulting on our debt could send our economy into a tailspin, even possibly another Great Depression, there are already those who are denying the impacts of default. The debt ceiling deniers try to claim that this won't be a big deal and that middle-class families won't be hurt. Well, these debt-ceiling deniers need a dose of debt-ceiling reality.

The truth is that failing to pay our bills on time would most probably be

worse than in 2008 when Lehman Brothers and AIG went under and the economy went into a tailspin. We still haven't recovered from that debacle. To this day there are people out of work. There are middle-class families whose income is lower than it was then because of what happened in 2008.

Why could it be worse—in all likelihood would be worse? Because just as housing securities had to be marked down because of the Lehman crisis, if government bonds, which are much more widely held, have to be marked down in lower value, we could have a freeze where banks are not able to lend money.

What happened in 2008 was simple. Banks and other financial institutions had all these mortgage securities on their balance sheets. All of a sudden their value seemed to be a lot less, so the banks' balance sheets were in the red. That meant they couldn't lend money, and not just for long-term mortgages and car loans but also for overnight lines of credit. Businesses were shaken. Many businesses couldn't function. Wire transfers weren't allowed to be made, and the whole financial system came to a startling and devastating halt.

Now the effects would be worse, in all likelihood, and for this reason: Mortgage securities were widely held but not close to as widely held as U.S. Treasuries are. Imagine on the day of default or, God forbid, even a day or two before default, all of a sudden the markets determine—and they are mystical in some ways—that Treasuries should be written down significantly. There is a very real possibility that could—and not 5 percent but significantly higher than that; I would estimate a 30-, 40-, 50-percent chance—send us into a tailspin that might make the 2008 recession look like child's play.

How would that affect the average family? Well, if the United States defaults, middle-class family paychecks would be raided by higher interest rates on everyday expenses. Already interest rates on short-term Treasury bonds are creeping upward as the possibility of default looms over us. If we default, investors who always considered U.S. debt risk free will demand higher interest rates due to the heightened risk that they might not be paid. For the first time ever investors question whether the U.S. Government would honor its commitments.

The domino effect on interest rates that affect family budgets would be endless and cataclysmic. Credit card interest rates would go up, adding hundreds of dollars to monthly bills. Young families seeking to take out a mortgage on a new home would be faced with thousands of dollars in higher payments over the life of the mortgage. Many might not even buy that home, putting a crimp in one of the bright spots of our economy—the housing market. Someone wanting to take out a loan to buy a new car should prepare to pay hundreds or thousands of

dollars more in higher interest rates. That means car sales would decline and automobile manufacturers could lay off people. Do you have privately held student loans? Prepare for monthly payments to shoot upward. Innocent families, millions of them—tens of millions—would be hit with thousands of dollars in additional bills through no fault of their own if U.S. Treasuries were devalued.

The damage doesn't stop there. If we default on our debt, the dollar loses value, and a trip to the gas station or the grocery store gets more expensive. The dollar won't go as far. Americans will have to shell out more for gas and for milk to feed their kids.

Think of the effect of a default on 10,000 baby boomers who are retiring each day. In 2011 the stock market lost 2,000 points. How much more might it lose now? We gained that back by the beginning of 2012, but that is no comfort to the thousands of people retiring every day. And when you are dealing with U.S. Treasuries—and these are not certainties, but these are possibilities—it could be a lot worse. You can check your 401(k) and see that political brinkmanship took a huge bite out of your retirement savings. Imagine the pain of saving wisely, making smart choices, only to have your retirement account and family budget wrecked by dangerous brinkmanship from tea party Republicans in Washington. If there were ever a governmental action that merited the words “playing with fire,” this is it.

The devastation doesn't end there. If we don't raise the debt ceiling, the Federal Government will be faced with impossible choices. Do we pay foreign debts—because if we don't, those countries won't lend to us anymore—or do we pay veterans' benefits? Do we make sure Social Security benefits go out or Medicare? Do we pay our troops? Do we fund border security? What do we pay for education? These are all tough choices.

Make no mistake about it. If the debt ceiling is not lifted, we can't meet all our obligations.

So the chances of this are not 80 percent, but they are close enough to 50 percent that anyone who risks this, particularly for this forlorn goal: we won't raise the debt ceiling unless we repeal ObamaCare—which we know isn't happening—it is madness. Risk the economy of the United States, the possibility of going through worse than what we went through in 2008 because you demand ObamaCare be repealed when we know it won't happen? Wow. I have rarely seen such madness coming out of legislators, but it is coming out of a few.

So the consequences of failing to raise the debt ceiling are crystal clear: interest rates on the middle-class expenses such as home mortgages, car loans, and student loans will shoot up. Housing markets, automobile markets, and others decline as many are laid off, and then others are laid off in a cycli-

cal cycle. The dollar will lose its value, making everyday purchases more expensive, and the Federal Government faces terrible choices about who we pay—seniors, veterans, military, creditors. To risk these consequences would be a terrible mistake.

In conclusion, I come here with a simple plea—not to our tea party activist colleagues but to mainstream conservative Republican friends. Please help us avoid the default crash. Please help us avoid an economic apocalypse. We are ready to talk. We are ready to negotiate on anything. But first open the government and pay our bills. Then we can sit down and debate our differences. The future of our financial system, the future of millions of Americans, is at stake. We don't play around with that. We don't hold that hostage.

To my mainstream conservative Republican colleagues, please do the right thing. Let us pay our bills and take the threat of severe economic collapse off the table now.

I yield the floor.

THE PRESIDING OFFICER. The Senator from Maryland.

#### CONTINUING APPROPRIATIONS

Ms. MIKULSKI. Madam President, I rise to speak as the chair of the Senate Appropriations Committee, who would like to reopen government and have our committee get back to regular order to be able to move our appropriations bills, to be able to debate them on the floor, amend them on the floor, and go to conference to resolve either fiscal or other issues we might have with the House. But we can't do it because we are in lockdown politics.

There is much about where we find ourselves that is very frustrating to me. One of the main ones is the fact that the tea party Republicans are out there saying things that simply are not accurate. Tea party Republicans say President Obama won't negotiate. That is not true. Tea party Republicans are saying Democrats in the Senate won't negotiate. That is not true. Tea party Republicans say the Senate has not moved appropriations bills. That is not true. The Appropriation Committee has. Tea party Republicans say the House doesn't have the votes to reopen the government. That is not true. And tea party Republicans say the debt limit is not a big deal. That is not true. So let me elaborate on these point by point.

Tea party Republicans say President Obama won't negotiate. The President has negotiated time and time again. He had a framework for a grand bargain in his 2014 budget. Read it. Let the print speak for itself. He had \$1.8 trillion of deficit reduction over 10 years, including \$400 billion in health care savings, \$200 billion in savings from mandatory programs, \$200 billion in further discretionary cuts in strategic funding and discretionary spending. And, yes, he would even change the cost-of-living calculation for Social Security. But

the Republicans couldn't take yes for an answer. Here was Obama, here was his budget, here is what he was offering—to reduce debt, to take on mandatory spending, to take on discretionary spending. They couldn't take yes for an answer. It included items in there I didn't agree with, but they were to be negotiated, to be discussed. Since he became President, the deficit has gone down by 50 percent, from \$1.4 trillion in 2009 to an estimated \$700 billion in 2013. High? Yes. But cut in half.

Now let's go to this President who they say won't negotiate. He negotiated in December of 2012 on a fiscal cliff deal. He wanted a 2-year delay in sequester, but we got 2 months. He wanted tax cuts for the wealthy to be eliminated above \$250,000. He agreed to an estate tax exemption. He wanted a \$3.5 million exemption, the Republicans wanted \$5 million. He said OK. The 2-percent Social Security payroll tax was ending without offsetting stimulus provisions. He gave and we supported him. Now they say he won't negotiate.

Speaker BOEHNER says, we just want to have a conversation. That is what the President did. What were those summits at Andrews Air Force Base? I thought that was going to be kumbaya. The President has had private one-on-one meetings, and nothing has come from that. Then he did a larger charm offensive—he had dinner with Republicans both at the White House and at different restaurants around town. Nobody seems to be able to take yes for an answer. This is the President who has invited people to the White House, invited leadership to play golf with him to build relationships, he has had dinner there. But instead of having lunch with the President, they want to have his lunch—over and over again.

The President has expressed a willingness continually to negotiate. And where are we now? We need to reopen the government. The House needs to pass the Senate clean short-term CR and raise the debt limit. Once it is open for business, we can talk about other matters.

Now let's go to tea party Republicans saying Democrats won't negotiate. Senate Democrats have tried to negotiate on the budget since we passed it on March 23. We were here for a marathon session led by Senator MURRAY—vote after vote, amendment after amendment—and we passed a budget resolution.

The rules of engagement and the rules for dispute resolution in the Congress are, take what one body passes, like the Senate, and meet with the House in a conference. Senator MURRAY was ready to go. She asked permission—which she has to do under the rules of the Senate—to have her budget conference to hammer out the budget with PAUL RYAN and other House Members.

Nineteen times since March 23 Senator MURRAY has stood on this floor and asked for the ability to negotiate