



United States
of America

Congressional Record

PROCEEDINGS AND DEBATES OF THE 113th CONGRESS, FIRST SESSION

Vol. 159

WASHINGTON, SATURDAY, OCTOBER 12, 2013

No. 143

Senate

The Senate met at 11 a.m. and was called to order by the President pro tempore (Mr. LEAHY).

PRAYER

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

Let us pray.
Eternal God, we are indebted to You for Your many mercies and continue to look to You for our well-being. Remind us that prayer is listening more than speaking, an act of empathy rather than self-expression.

Give our Senators this day the special gifts of wisdom and understanding, patience and strength, motivating them to follow what is true and do what is right. Lord, inspire our lawmakers with a renewed trust in You and a commitment to work together for Your glory.

We pray in Your sacred Name. Amen.

PLEDGE OF ALLEGIANCE

The President pro tempore 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.

RECOGNITION OF THE MAJORITY LEADER

The PRESIDENT pro tempore. The majority leader is recognized.

DEFAULT PREVENTION ACT OF 2013—MOTION TO PROCEED

Mr. REID. I move to proceed to Calendar No. 211, S. 1569, the debt limit bill.

The PRESIDENT pro tempore. The clerk will report the motion.

The assistant legislative clerk read as follows:

Motion to proceed to Calendar No. 211, S. 1569, a bill to ensure the complete and timely payment of the obligations of the United States Government until December 31, 2014.

SCHEDULE

Mr. REID. The time until 12 noon will be equally divided and controlled between the two leaders or their designees.

At noon there will be a rollcall vote on a motion to invoke cloture on the motion to proceed to S. 1569, a bill to ensure the complete and timely payment obligations of the United States Government until December 31, 2014.

MEASURE PLACED ON THE CALENDAR—H.J. RES. 79

Mr. REID. I understand H.J. Res. 79 is due for a second reading.

The PRESIDENT pro tempore. The clerk will read the title of the joint resolution for the second time.

The assistant legislative clerk read as follows:

A joint resolution (H.J. Res. 79) making continuing appropriations for certain components of the Department of Homeland Security for fiscal year 2014, and for other purposes.

Mr. REID. I would object to any further proceedings at this time.

The PRESIDENT pro tempore. Objection is heard.

The measure will be placed on the calendar.

EXECUTIVE SESSION

EXECUTIVE CALENDAR

Mr. REID. I ask unanimous consent that the Senate proceed to executive session to consider the following nomination: Calendar No. 340; that the nomination be confirmed, the motion to reconsider be considered made and laid upon the table, with no intervening action or debate; that no further motions be in order to the nomination; that any related statements be printed in the RECORD; that the President be immediately notified of the Senate's action and the Senate then resume legislative session.

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

The nomination considered and confirmed is as follows:

IN THE AIR FORCE

The following named officer for appointment in the United States Air Force to the grade indicated while assigned to a position of importance and responsibility under title 10, U.S.C., section 601:

To be lieutenant general

Lt. Gen. James M. Kowalski

LEGISLATIVE SESSION

The PRESIDING OFFICER (Ms. WARREN). The Senate will now resume legislative session.

DEFAULT PREVENTION ACT OF 2013—MOTION TO PROCEED—Continued

Mr. REID. Madam President, it is very hard to comprehend that 4 days from today, unless and until a few extremist Republicans—we hope it is a few—too radical to compromise, could force a default on the Nation's financial obligations for the first time ever. Economists say it won't be long before financial markets react negatively to this continued uncertainty.

I believe Monday is a legal holiday and I believe the markets will be closed. That is good. What I see staring us in the face is not a pleasant picture.

Everyone should understand that a bad day on Wall Street doesn't only affect these great big banks or wealthy investors. It affects everyone in our country, not only those with 401(k)s but those who have no savings. It affects everybody, because everyone will lose, not only in America but around the world. The life savings of ordinary Americans are at risk, and that is an understatement.

While this uncertainty is bad, default would be unthinkable worse. To show my angst is real, one only need look at what took place in the House of Representatives this morning. They walked out of another meeting, a conference, a caucus—call it what you

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



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want—defiant: We couldn't do anything.

Therefore, the government remains closed, and the debt ceiling is, every day, closer and closer—every hour now. While this uncertainty is bad, I repeat, default is unthinkable worse.

Because of the collapse on Wall Street a few years ago, the State of Nevada and States all over the country were hammered. This was only 5 years ago. Americans lost their jobs, their homes, and their savings, as did people around the world. The country is beginning to recover, but it is not in great shape.

The crisis we now face is one of even greater proportion. The government has remained closed for 12 days. Think about this. Four States are buying into programs so national parks can stay open. National parks. They were the brainchild of Republican Theodore Roosevelt.

It is very sad what is happening to our country. Defaulting on our debt would risk millions of American jobs—not thousands, not tens of thousands, not hundreds of thousands, but millions of jobs. Social Security checks will likely be halted, Medicare payments and even payments for our troops wouldn't happen.

Without exception, the most respected economists and business minds of our time have said that if America defaults on its debt, there will be dire consequences here and around the globe. We have heard this from everybody, not only economists but business people.

I was pleased to see the Republicans engaged in talks with the President, the House Republicans. That is over, it is done. They are not talking anymore. We learned that this morning.

I say to my friends on the Republican side of the Senate, time is running out. They have urged their more radical Members to compromise.

For example, my senior friend from Arizona came to the Congress of the United States with me and the assistant leader. We have been together for 31 years. These are the sensible words of the senior Senator from Arizona:

Sooner or later, the government will resume its function. Sooner or later we will raise the debt limit. The question is how we get there. . . . Why don't we do this sooner rather than later? Why doesn't the Senate lead?

To that end we are trying. We are going to have a vote in 50 minutes on a long-term measure to avert default and give the economy what it needs.

I have told my Republican friends that allowing the government to operate again is not a favor to me; it is not a favor to the Presiding Officer; it is not a favor to Democrats on this side of the aisle. It is something that should happen. We shouldn't consider this a time for doing favors for individuals or groups. We should understand the government should open because it should never have closed in the first place.

The debt ceiling—reasonable Republicans should understand this should be

extended, not for a couple of weeks or a couple of months, it should be extended for a long time. We shouldn't have this fight. To think that this is only a motion to proceed to the legislation, it is not a vote on the measure itself, and the Republicans, I have been told, are all going to vote against this. What a sad day for America. They are voting to not allow us to even debate whether the debt ceiling should be raised. Are they afraid of that? Do they want this to go away? It is not going to go away. Each hour that goes by, we are closer to a calamity for our country.

The economy needs more stability than short-term Republican proposals. Congress and the country must not be back in a position a few weeks from now wondering whether Republicans will force our Nation to default on our financial obligations.

To think the House Republicans are saying: Well, we will extend the debt for a little while but we are not going to reopen the government, wow, that is so logical, sensible and good for the country—and I say this very sarcastically.

The Senate Democrats' position has been and remains this: We open our government and pay our country's bills so we can move forward with good-faith negotiations on a long-term budget. It is not too late for my Republican colleagues to do what is right for this country.

I am very concerned. It seems the worry about whether our country should have a functioning government and should extend the debt ceiling is only from Democrats. This isn't the way it should be.

I admire President Obama for what he has done the last few days. He has invited every Member of Congress, 535, to meet with him. First he had the House Democrats and then the Senate Democrats, another meeting, then Senate Republicans, and House Republicans. Remember, the last time my friend Speaker BOEHNER was on television, he said: Maybe, oh, 18 times, I haven't counted.

He wanted to have a conversation. The President took him up on that. He invited all 232 Members of the Republican Caucus to come to the White House and visit with him. They refused that. They sent down 20.

I appreciate the President being willing to talk with all of us, and he has done that in detail. The problem is the conversation is one way. The Republicans are not interested, it appears at this stage, of doing anything constructive to extend the debt ceiling and open the government. "Later" is what they always say.

RESERVATION OF LEADER TIME

The PRESIDING OFFICER. Under the previous order, the leadership time is reserved.

Under the previous order, the time until 12 noon will be equally divided and controlled between the two leaders or their designees.

The assistant minority leader.

Mr. DURBIN. Madam President, at 12 o'clock noon we will vote on the motion to proceed to S. 1569. It is barely 1 page, but it is of more significance than anyone can imagine. It basically is an opportunity for us to start the debate—not to end the debate but to start the debate—on whether the United States of America will default on its debt for the first time in the history of this Nation. Other nations have defaulted: Argentina, Venezuela, Cameroon. We have never defaulted.

As a result, the U.S. dollar is the soundest currency in the world. Think about it for a second. Where else would you turn? The U.S. dollar is the soundest currency. Buying the debt of the United States is considered to be the single safest investment any person, business, or country can make.

We didn't just inherit this. We earned this, because every year the United States has been a nation, we have paid our bills, and now this is being brought into question.

Today at noon on the floor of the Senate there is going to be a vote on whether we proceed with the debate over paying our bills. Sadly, we are told not a single Republican Senator will join us in allowing the debate on paying our bills. That is a sad commentary. When we think about it, it is taking the events of the past week or two to the extreme.

It was bad enough to shut down the United States. When Republicans decided that shutting down the government was a great political move, the American people said: Are you out of your mind? Eight hundred thousand people are going to be furloughed, and we are going to stop the services of our government?

For the last 12 days we have seen every single day another indicator, another piece of news, about how this government shutdown is hurting ordinary people across America, whether it is those who were denied clinical trials at the National Institutes of Health outside of Washington, DC—clinical trials that were literally life-and-death decisions; whether we are talking about food inspection, reading the newspaper about salmonella poisoning and realizing the Republican government shutdown is reducing the number of food inspectors. The list goes on and on and on.

But I will tell you this: As sad and unfair as it is for the Republican shutdown of the government to result in 800,000 furloughed Federal employees, the hardships on their families and the hardships on all Americans who count on their jobs and on the basic services of the Federal Government is worse.

This is worse. The Republican shutdown has reached a new level of recklessness, a new level of irresponsibility if we default on America's debt. Sadly, it will mean the victims will not just be Federal employees and their families. No, not even just those who count on government services. The victims

will be virtually every person and every family in America.

Is that an exaggeration? Is it just another politician reaching extreme rhetoric here on the floor? Let me quote a few people who do this for a living—the people we trust. Treasury Secretary Jack Lew in a Finance Committee hearing on October 13 said:

Failing to raise the debt ceiling will impact everyday Americans beyond its impact on financial markets. Between October 17 and November 1, we have large payments to Medicare providers, Social Security beneficiaries, and veterans, as well as salaries for Active-Duty members of the military. A failure to raise the debt limit could put timely payment of all of these at risk.

Of course, he is a government employee, an appointee of the administration. One might say: Well, let's discount that. He is just putting the President's political spin on this. Let's go to Frank Keating, no friend of the administration. He is the head of the American Bankers Association. Before a banking committee hearing on October 10, he said:

Ordinary Americans will bear the brunt of the damage if our leaders do not prevent the United States from defaulting on its debt for the first time in history.

He went on to say:

It would . . . raise the cost of borrowing for businesses, meaning job losses and price increases . . . be a blow to retirement funds, leaving fewer resources available for retirees. For banks, which hold \$3 trillion in Treasury, agency and mortgage-backed securities, the sharp decline in value of these securities would translate into fewer resources available for mortgages, business, auto, credit card and student loans.

To put it in layman's terms, Mr. Keating, the head of the American Bankers Association, is saying if the Congress fails to extend the debt ceiling, as we are proposing to do today, interest rates will go up—interest rates on ordinary Americans, ordinary families, and ordinary businesses.

This is entirely preventable. Let me just lay the cards on the table. I have been in the House and in the Senate. Nobody wants to vote for this because most people don't understand it. They think: Oh, so you want us to go further in debt, Senator? That is why you voted for it.

But that is not the case. The debt limit is paying off the bills we have already incurred. It is like going to a fancy restaurant and ordering the best meal on the menu, eating the meal, and when they come to ask you to pay the check you say: No, I am not paying the check. You see, I am a fiscal conservative. I just don't believe in extravagant eating. But you just ate the meal, and now you are not going to pay the check?

That is what this is about. We have incurred these bills, and now the question is whether we will pay these bills. That is what it comes down to. This is basic and fundamental.

At noon there will be a vote on the floor of the Senate which will have a direct impact on everyone in this coun-

try. The question is whether the Republicans, fresh from the failure of their government shutdown, are going to dig a deeper hole, not just for their party—forget that completely—but for this Nation; whether they are going to create a new group of victims beyond Federal employees that includes every person, every family, and every business in America. That is what is at stake.

Madam President, I am not exaggerating. I think this may be the single most irresponsible thing I have seen in the time I have served in Washington. To let this happen is not good for this Nation, and it is not fair to the people of this Nation.

The majority leader said the markets are closed on Monday. It turns out, I am told, that the bond market is closed, but the stock market is open. That stock market, incidentally, is where mutual funds live, where the stocks people own for their savings and retirement live, and where their savings live. This irresponsible action, sadly, is likely to create a decline in the value of their hard-earned savings.

But it can be avoided. What would it take? Six Republicans. That is what it takes. The Democrats are prepared to move forward and extend the debt ceiling. We need six moderate Republicans to step up and join us. If they will, we will move forward. We will accept the responsibility of ultimately voting for whatever bill there is to extend the debt ceiling. We are asking six Republicans to give us a chance to vote. If they say no at noon today, the consequences could be awful for this great Nation.

I yield the floor.

The PRESIDING OFFICER. The Senator from Vermont.

Mr. LEAHY. Madam President, I hope the country listens to what the senior Senator from Illinois has said about the ramifications of this shutdown. This is not a political exercise. This is not a bumper sticker thing. This is hitting every single family, every single person in America. It doesn't make a difference whether they are Democrats, Republicans or Independents. It is going to hurt and hurt badly. Whether you are saving money for your child to go to college, to put away for your retirement or are paying bills for an illness, all of us are going to be impacted. So I thank the distinguished senior Senator from Illinois for those comments.

Madam President, on this 12th day of being paralyzed by this unnecessary shutdown, there are real results that will come about because of it. I have given several examples on the floor about how Vermonters are suffering due to this tea party shutdown. And I am sure the distinguished Presiding Officer probably has similar examples from the Commonwealth of Massachusetts or others as well.

Earlier this year I worked with Senator CRAPO, a Republican from Idaho, to build the support we needed to reau-

thorize the Violence Against Women Act—VAWA—and I was proud when both the Senate and House passed the legislation with strong bipartisan votes and the President signed it. We put our differences aside—and we are philosophically very different—to help the people we serve, whether they are in Idaho, Vermont, Massachusetts or anywhere else. We sent a clear message that violence against women will not be tolerated. We put the needs of victims first when we promised rape crisis centers and domestic violence shelters they would have the resources they need to keep their doors open and to keep their 24-hour hotlines staffed. But now we are here in October, which marks Domestic Violence Awareness Month, and so many of the lifesaving programs we put in this legislation are caught in the crossfire of the tea party shutdown.

Today, as Federal funds are being held hostage by the tea party shutdown, we are starting to see the real toll of this brinkmanship. In Franklin County, VT, a northwestern county in our State, advocates were hopeful when they learned a new grant would allow one staff person to help victims of LGBT domestic assault in that rural region. Of course, this hope has given way to frustration because the funds promised on October 1 did not come through due to the shutdown.

Barre City, Vermont, is the town where my father was born. It has a population of 9,200. In Barre City, the police force has furloughed two half-time detectives who were providing 24/7 coverage for special responses to domestic violence cases. They were also providing critical training for their colleagues on how to answer these challenging calls.

I was a prosecutor in Vermont, and I saw how terrible these domestic violence cases could be, and they occur in every State. I would bet that every single State can give an example of what this shutdown has meant, the same as Barre, VT.

There is a long list of programs funded with VAWA grants that continue to provide services to victims—and incur the related costs—based on the hope they might be reimbursed once funding is restored. Meanwhile, the tea party says maybe the check will be in the mail. They have no choice because despite what the tea party might think, when you close the spigot of funding, it doesn't mean the victims go away.

I still have nightmares of some of these scenes I saw at 3 o'clock in the morning when I was a prosecutor. They are still occurring. We can at least cut way back on them and help people in America.

But I also want to know what is going to happen to victims and their children when the money for WIC and the TANF programs runs dry. We know many victims of domestic violence have to rely on this support when they leave their abusers. In the past they had to stick with their abusers because

they had to feed their children. Now at least they have a lifeline out there. If you combine that with the impending cuts to the Supplemental Nutrition Assistance Program the tea party wants, I wonder whether this is going to cause these victims and their children to stay in the homes of the abusers just so the children can be fed. That is shameful.

This is America. This is America. All of these tea party members get paid. They are getting paid today. They get their expenses. They get their staff. They can fly back and forth. They can go on television and all of that. They are not facing this abuse or the question of how they feed their children.

Kris Luken, director of Voices Against Violence in St. Albans, VT, says the uncertainty is the hardest part, both for her agency and for the victims it serves. At the end of last week, the first of the tea party shutdown, she said:

We are fielding a lot of calls from survivors who don't know how they are going to make ends meet. People just don't know what the impact will be.

So you get abused first by whoever the abuser is, and now you are going to get abused by this tea party shutdown. In these difficult economic times, it is more important than ever to ensure that our safety net is in place. We cannot turn our backs on these families—that is not who we are as a country.

When we reauthorized the Violence Against Women Act this year, we included provisions to specifically address the high rate of domestic and sexual violence experienced by Native American women. Sadly, this shutdown disproportionately affects that already vulnerable population. Tribal lands rely heavily on Federal funding and one tribal domestic violence shelter in South Dakota has lost 90 percent of its funding. That shelter is at capacity and the loss of funds means victims are being turned away. They are left with no place to turn. That is simply unconscionable.

The District of Columbia's Sexual Assault Nurse's program relies on Federal funds to provide necessary medical assistance to rape victims, including rape kits. Absent emergency funding which will soon dry up unless we end this foolish shutdown, rape kit examinations will cease, leaving victims without the specialized care they deserve and the DNA evidence they need to prosecute and convict their rapists.

Let's end the uncertainty. Let's end the shutdown and fulfill our promises to the people we are here to represent.

The continuing resolution passed by the Senate—a resolution which, after all, was asked for by the House of Representatives and was a compromise with them—could end this stalemate. The leadership in the House of Representatives should have the courage to bring it to a vote—the courage not necessarily for their own political needs but the courage for the needs of America.

Madam President, I yield the floor.

The PRESIDING OFFICER. The Senator from Virginia.

Mr. WARNER. Madam President, I first of all want to thank my colleague, the Senator from Vermont, for his comments and his relentless voicing of the concerns of folks who are not often heard in the halls of this institution. I thank him for his work and for letting everyone know who continues to be hurt by this absurd government shutdown.

I really think we are almost in a kind of era of the theater of the absurd at this point. We have a government shutdown for 11-plus days and are 4 days, 5 days from a default. What I keep wondering is—we hear about some of the least fortunate who are being hurt—how much of our economy is being hurt all across the board.

I received a call 2 nights ago from the chairman of a company from Northern Virginia with 5,500 employees. This company has been built by this first generation of Americans. He is extraordinarily proud of what he has done for his company, for his employees. His company serves our government as a so-called government contractor. A lot of these companies are not only in Virginia, in Maryland, but across this region and across this country.

When the shutdown started, 30 percent of his 5,500 employees were told they are not essential. So the company has been trying to make ends meet keeping these folks furloughed but not firing them, trying to pay them a little something during this period. The remarkable thing is that 70 percent of the employees that were deemed essential are not getting paid either—even though the government says they are going to pay them—because the folks who process the checks are furloughed.

Anybody who operates a business on a cashflow basis knows that when the money runs out, even if you have a potential IOU, if you can't go to the bank and borrow money, you shut down. This company, 25 years in the building, this CEO, this chairman, said if this goes on 1 or 2 more weeks, his life's work and—more importantly than his life's work, he said—the 5,500 people who depend upon this company's existence may very well disappear. That is just part of the government shutdown.

Today we are going to vote on an issue that I never thought in my time in the public sector or the private sector we would be seriously considering; that is, the default of the United States of America. I have spent more time in the private sector than I have in the public sector, but I never thought I would see the headline I saw this week in the Financial Times, an international financial newspaper, where the headline was that Japan and China and Russia Say: America, pay your bills. America, pay your bills. America, the largest economy in the world, the country that, because of our exemplary behavior for decades, has been granted the status of the reserve currency.

What does reserve currency mean? It means that every American business does a little bit better than every other business around the world because the dollar is the currency everybody else goes to when times are tough.

There are countries—not all of them friendly to us—that are saying that maybe the dollar shouldn't be the reserve currency anymore, and if we lose that status, it doesn't come back overnight. It is not where the tea party crowd can say: Maybe we made a mistake; we want to roll that back. Once it is gone, it could take literally decades to get it back.

Since the beginning of the 21st century, there has only been one industrialized country in the world that has defaulted since the year 2000—Argentina. America is not Argentina, but back in December 2001 Argentina defaulted. Prior to that time, Argentina—per capita income—was the richest country in South America, way ahead of Chile, Brazil, and other nations in that region. Once Argentina defaulted, the value of its currency fell by 75 percent, inflation hit over 100 percent a year, and every Argentinean family lost over half of their net worth. Today, 12 years after Argentina defaulted, on an annual average income basis, it falls way below most of the countries of South America.

America is not Argentina. It may not be that catastrophic, but why would anyone take the chance? Why would anyone decide in this uncharted area to potentially threaten default? That is like playing Russian roulette with one bullet and only two chambers. No responsible nation would do that.

We have heard from some on the other side: Here is what we ought to do. Maybe we will kind of default, but we will pay our bonds and we will pay Social Security, pay our military, and then everything else will be put on hold.

That, to me, shows a remarkable, fundamental lack of understanding of how government or economics works. No government has ever tried that. But for the sake of argument, let's suppose that somehow that "prioritization" scheme might stave off America defaulting for 1 or 2 weeks.

Here is the other half of the story they don't acknowledge. Even if America pays its debt, on that list of prioritization does not appear Medicaid, education, transportation, law enforcement, and those dollars don't stay spent at the Federal level, they are spent at the State government level and the local government level.

I had the great honor of being Governor of Virginia before I came to the Senate. We worked really hard to keep a triple-A bond rating. The Commonwealth of Virginia, the State of Maryland, Louisiana—every one of these States, at least one-third of their State budgets are dollars that pass from the Federal Government down to the State level. We could see within a week or maybe even less every State government and every local government in

America either have a budget crisis or default. What is happening in Detroit could happen across every community in America—not because of mistakes made at the local level or the State level but because of the irresponsibility of a group of folks up here who don't understand the economics that you don't mess with the full faith and credit of America.

What other costs are we playing with? Many of the folks who have been most adamant about keeping the government shut—which, by the way, will cost the taxpayers more and will not save us a dime. Federal employees will be paid, but starting and stopping all these government contracts will hurt the economy, decrease tax revenues, and actually cost taxpayers more.

But what may be even more jeopardizing than those actions with this kind of irresponsible testing of the markets or brinkmanship is that we could see interest rates rise. Every 1 point of increased interest payment on our debt accounts for \$110 billion of additional Federal Government payments every year. A 1-percent interest in the debt increase over a 10-year basis is an extra \$1 trillion of government spending that has a priority over any other aspect of Federal Government spending. Talk about a tax hike that gets America nothing from a group who says: We don't want to increase taxes at any cost—well, playing with the debt ceiling, 1 percent interest, a \$110 billion tax hike on every American family and every American business, and again, you can't say a few days later “oops” and the market would then take back down our interest rates.

I know other colleagues are here and want to speak as well. In my business life, in my time as Governor, in my time as Senator, I have never seen an action nearly as irresponsible as the actions taken—and I don't think this is the majority of the colleagues on the other side—by a small cohort of ideologues who are willing to do whatever, including burn down the house, to try to achieve their goals.

We will have a chance here in the Senate in about 20 minutes to decide whether we will take off the threat of America defaulting. The Asian markets open within 40 hours. The world is going to see whether America is going to maintain its position as reserve currency, the world's largest economy, and the most stable financial basis. I hope we will take a step today to at least remove the threat of default, to encourage our friends on the House side to do that as well as reopen this government, and then, yes, let's get our fiscal house in order. But putting America's fiscal reputation and putting companies in jeopardy with the shutdown is not the kind of governance America needs at this point.

I yield the floor.

THE PRESIDING OFFICER. The Senator from New York.

Mr. SCHUMER. Madam President, I thank my colleague from Virginia for

his outstanding work. He knows this from a business perspective, an economic perspective, and a political perspective, and has been such a strong and vibrant voice about America paying its bills.

I would like to add a couple of things. We have a group of people in the House and the Senate—not a majority—whom we call debt ceiling deniers. They deny that letting the debt ceiling lapse and going into default could be cataclysmic for America. They are wrong. Every person who has studied this knows it is wrong.

The debt ceiling deniers fall in two camps. Some say: Well, we can pay certain debts and not other debts and that would be all right.

Well, let them choose. Pick Social Security over veterans? Pick payments to pregnant mothers versus payments for food safety? We can't do it.

Then they say: Well, maybe we should just pay Treasuries that come due and not pay Social Security.

Well, let me tell you, as somebody who has consulted experts on the market, the overwhelming view is that if we don't pay any of our bills for the first time in U.S. history, the markets could very well freeze up, tighten, and create huge damage to our country.

The second group of debt ceiling deniers say: Well, we don't know the date.

And we don't. The markets are mystical, but once they come to their own most magical conclusion that the United States is going to default, we will be in trouble. That could be the 17th. It could be a day or two before, importuning us to action as soon as possible. It could be a little bit later. But we don't know when it is. And what a risk.

We are like a blindfolded man walking toward the edge of a cliff. If we keep walking, we will fall off. We can debate whether we fall off in 5 yards, 50 yards, or 500 yards, but we will fall off and we don't know what that line is. Why risk it?

I have one final point. This could be as bad or worse than the 2008 recession. It is the same basic principle. A very important security—in that case, mortgage securities, and in this case, Treasuries—loses tremendous value, the markets freeze, loans can't be made, interest rates rise, and then all the ensuing economic damage. Auto sales will go down and thousands of auto-workers will be laid off. Home sales will go down and construction workers will be laid off. That is what happened in 2008, and it could well happen again and be worse because this will be worldwide. U.S. Treasuries are probably the most widely held denomination of assets on financial institution books and deeper—more institutions have more of them than have mortgage securities. So we are playing with fire.

I make a plea to my colleagues on the other side of the aisle. I know we all have political agendas. I very much would like to see the immigration bill

passed. We all have agendas that are very important to us. Please do not hold the debt ceiling and paying our debts hostage to any other condition. Pass the debt ceiling unconditionally, and then we can go back to our business, debate these issues, and see where the political chips fall. But please, for the sake of this country, for the sake of the men and women who labored before us and never let us default, do not play with fire, pass a clean debt ceiling, and let's move on and debate the other issues that so much deserve debate.

I yield the floor.

THE PRESIDING OFFICER. The Senator from Louisiana.

Ms. LANDRIEU. Madam President, I come to the floor today to add my voice to the voices that have spoken since 11:00 our time about the importance of opening this government and sending a strong signal that the Congress will not default on its debt; that we will pay our bills and we will honor the commitments we have made not only to bondholders outside of our country but to our own constituents who hold Treasury bonds in their pension funds and their 401(k)s, who use it to balance their investments in their businesses because they know they can count on those notes being paid. Until just a few days ago it seemed as if that would happen.

Recently, in the last 48 hours, there is a real question as to whether a small group of Republicans in the House understands how high this cliff is and how close we are to it. This problem is completely manufactured by a group of people elected to office to do this exact thing—shut the government down at any expense and, as the Senator from Virginia just said, burn the whole house down with the children inside. They came here with that express purpose. They are wrong, and they are pushing this country to a terrible place.

Leader REID has explained it. Senator SCHUMER from New York has explained it. MARK WARNER, the senior Senator from Virginia, who is literally one of the finest Governors we have had in the last 50 years in America—and I say that respectfully and honestly; we all know what a great Governor he was—he is now joined by another great Governor from Virginia, Governor Kaine—these men are Senators, but they understand our Governors now are at risk, every Governor, Republican and Democrat, and all the leaders of the State governments and the thousands of cities and villages.

Yesterday we received a letter signed by the Governors Association, Democrat and Republican Governors, saying open the government. Do not let the government default. Why? Because in our system of government, which is the best in the world—it is not perfect, but it is the best in the world ever created by men and women. We are frail human beings. We make a lot of mistakes. We made so many mistakes in the creation

of our country and we still continue to do it, but we are trying to build a model of democracy, the best the Earth has ever known.

There is a group of people in the House who decided that for some reason they do not like the democracy. I do not know what they want to go back to, but it has taken us 230-plus years to get here. I don't think anybody wants to go back to a place where the world had no democracy.

There were elections. People won those elections. President Obama won his election. He did not carry my State, but he won his election fair and square. He campaigned on providing middle-class families for the first time in America a way to purchase health insurance—not a single-payer system, not the government system—to purchase health insurance so they would not be one accident away from financial ruin. “Shame on President Obama. Shame on him for suggesting something so radical that moms and dads could go to sleep at night knowing that if an accident happened the next day they would not have to take bankruptcy or choose between a child disfigured or a child who needed to go to college. Shame on President Obama. How dare he suggest such a thing.”

If they do not like the bill, they can change the bill. We did not wake up one morning and declare this the law. The people of the United States declared this through us as their Representatives. If they do not like it, they can unelect us. Believe me, they will have a great chance because I am up for reelection right now. They will be able to do that. But that is the way you do it. You do not threaten to shut down the government.

I am going to run for reelection. I am standing in this election as a supporter of the Affordable Care Act—not because it is a perfect law but because it is much better for all the people I represent than what we had before—the wealthiest people, the middle-class people, and the poor people.

We argued and fought in public, in meetings for 40 years on how to do this. This was not a last-minute, behind-the-scenes deal that nobody read. Have they lost their minds? We debated this for 40 years through every kind of President you can think of, conservative, liberal, different kinds of Congresses.

I know we have devoted 10 minutes, and I know other people want to speak, but I will take just a few minutes.

Contrary to popular belief and what FOX News said, people here read the bills. For 40 years we read the bills. But we did not have to read the bills; all we had to do was look at the faces of kids dying of cancer who had no way to get cured. All we had to do is talk to people who came to our office every day who said: Senator, can't you do something? My insurance is going up. I can't afford it. I want to get out of my job. I worked for GE my whole life. I have a better idea. I want to get a bet-

ter job, but I can't leave because my wife has cancer.

I don't need to read a bill. I listen to my constituents. That is what this is about. Then when they decide they are going to shut down the government because they can repeal this law—now they are deciding that did not work so well. That is not making a lot of sense to people. Now we are going to negotiate on we don't know what, but we have to get something out of this. How dare they? How dare this group of radicals, led by the Senator from Texas—how dare they take the greatest democracy on Earth hostage? Who gives them that right? Do they think they are divined by God? They are not—none of us here are.

God could run this world perfectly, but he doesn't run it. He is in Heaven. Until then we, as imperfect as we are, have to figure out His will through the democratic process. But they have decided that is not good enough.

I don't know anything on Earth that is better. Maybe they can figure it out in the next 48 hours. People have been thinking about that for 6 or 7 or 8,000 years or longer. I don't think 48 hours is going to help them.

Anyway, we are here today. What I would like to say is that I agree with everything my Senate colleagues have said. I urge our colleagues to vote to open the government, to not hold the U.S. Government and the world and all the kids in the world, all the adults in the world, all the businesses in the world hostage over their antics. In Louisiana, let me say, we have 400,000 people who need us to fix flood insurance. They are truly hurting. We have 200,000 people who live in Houma who have been waiting for a levee around their city for 25 years. Then they were told by the Corps, yes, they will build it. Then they didn't; yes, they will build it. Then they didn't. I need to get on that.

We have permits in the Gulf of Mexico, I say to Senator BOXER. I see my friend from California. I am going to turn it over to her. We have a little different view on this, Senator BOXER and I, but people in Louisiana would like to drill for oil. We would like to get our permits to do that. But because this ideological group has shut down the government, there are no permits being issued to produce the oil and gas necessary to keep our country strong. I could go on.

Let us reason together. We can find many issues to negotiate about. I am open to many negotiations, as are the Democrats, but to threaten the core of this democracy, fought for so long and hard over decades by men and women, is beyond the pale.

I yield the floor.

The PRESIDING OFFICER. The Senator from California.

Mrs. BOXER. Madam President, I thank my colleague from Louisiana. I am so appreciative of her because she is telling it like it is. She is sincere. She cares about her State.

Let me reassure her, she and I do not agree in terms of the parameters of oil drilling and Keystone and other issues. That has nothing to do with our friendship. But the Senator is exactly right. She deserves to have the permits run through the process. It is ridiculous. Just as the roadbuilders are waiting to have the EPA finish the environmental studies so they can get these roads—this government shutdown is brutal.

The reason I am rising—very briefly because I want to leave time for my friend from Oregon to say a few words—is because I wish to be so crystal clear to the people who might be watching us on this unusual Saturday session. We are in the midst of a Republican government shutdown. I am going to say that again. We are in the midst of a Republican shutdown of the government of the United States of America. The Senate passed a clean bill to reopen the government. It is sitting over there at Speaker BOEHNER's House, and he is blocking all ability to open this government. That is No. 1.

Now we are getting frighteningly close to a default. We are getting very close to the point where America will not be able to pay its bills. The cost of that to our Nation, to our people, to our reputation, to our economy, to our taxpayers cannot be overstated: disaster. We have a chance now to pass a clean debt ceiling bill, which means we will not default. I hope my colleagues will vote for it. They are filibustering it. We need 60 votes. I hope somebody will come to their senses over there because the results of not doing it would be disastrous. I think Senator WARNER has spoken very clearly about what this means from the perspective of both a former governor and a businessman.

I ask unanimous consent to have printed in the RECORD a newspaper article entitled “Business, labor and non-profits demand that the shutdown end ‘immediately.’”

I am going to read a little bit from it and leave the remainder of time for my friend from Oregon:

The most prominent names in business, labor and the nonprofit world on Friday demanded that Washington “immediately” end the government shutdown.

In a joint letter sent to President Obama and lawmakers, leaders of the U.S. Chamber of Commerce, the AFL-CIO and United Way Worldwide said the shutdown shouldn't continue another day.

“As leaders of business, labor, and the nonprofit sector, we are writing to urge you to end the federal government shutdown immediately,” the letter says.

“While we may disagree on priorities for federal policies and we even have conflicting views about many issues, we are in complete agreement that the current shutdown is harmful and the risk of default is potentially catastrophic for our fragile economy.”

It goes on. I want to say to my Republican friends: Wake up. This isn't a letter from one Democratic group or a liberal group or even a centrist group. This is a letter from America, from the business leaders and the workers and the nonprofit leaders. You are so out of

step it is frightening. Vote with us for a clean debt ceiling so we will not default and we do not send a terrible message to the markets. Open this government now. Take up the Senate bill over there, Speaker BOEHNER, put it up for a vote. Let's open this government and give it back to the American people because they deserve it. They do not deserve to be treated this way. They do not deserve to be hurt.

I yield the floor.

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

[From the Hill, Oct. 11, 2013]

BUSINESS, LABOR AND NONPROFITS DEMAND
THAT SHUTDOWN END "IMMEDIATELY"

(By Kevin Bogardus)

The most prominent names in business, labor and the nonprofit world on Friday demanded that Washington "immediately" end the government shutdown.

In a joint letter sent to President Obama and lawmakers, leaders of the U.S. Chamber of Commerce, the AFL-CIO and United Way Worldwide said the shutdown shouldn't continue another day.

"As leaders of business, labor, and the nonprofit sector, we are writing to urge you to end the federal government shutdown immediately," the letter says.

"While we may disagree on priorities for federal policies and we even have conflicting views about many issues, we are in complete agreement that the current shutdown is harmful and the risk of default is potentially catastrophic for our fragile economy."

The signatories on the letter were Tom Donohue, the Chamber's president and CEO; AFL-CIO President Richard Trumka; and Stacey Stewart, the U.S. president of United Way Worldwide.

"Our three disparate sectors share a common view—no one benefits from the current shut-down and everyone will be harmed if the government defaults. It is in the interest of our nation that Congress restore the normal functioning of our political process, fund the government immediately and quickly move to resolve the impasse over the debt ceiling limit," the letter says.

The shutdown is in its 11th day even as the Oct. 17 deadline to raise the debt ceiling approaches. Talks between the White House and Republican lawmakers to resolve the budget crisis picked up on Thursday, but an agreement is far from certain.

Business leaders fear a failure to raise the debt ceiling by the deadline will send the stock market into a tailspin and plunge the economy into recession.

Labor unions have been protesting the government shutdown since last week. Trade groups have also been active—from the American Hotel & Lodging Association to the International Franchise Association—telling lawmakers that the shutdown has hurt business.

The Chamber, the AFL-CIO and United Way said both parties need to work together to resolve the impasse.

"We urge all of our leaders in Washington to set aside the many issues we disagree about, reach across the aisle and end the shutdown and the threat of a national default," the letter concludes.

TO PRESIDENT OBAMA AND MEMBERS OF CONGRESS: As leaders of business, labor, and the nonprofit sector, we are writing to urge you to end the federal government shutdown immediately.

Our country is navigating the most challenging economic times in a generation.

While we may disagree on priorities for federal policies and we even have conflicting views about many issues, we are in complete agreement that the current shutdown is harmful and the risk of default is potentially catastrophic for our fragile economy.

Large and small businesses, the workforce (especially federal workers), people who rely on public and privately-funded social services, and communities at-large, are being harmed by the shutdown. The federal government is our nation's largest consumer of goods and services, our largest employer, and the single largest source of financial support for state and local governments and for private social services. Several hundred thousand public servants are at home without pay. The longer the shutdown continues, the more people and communities' economic security will be damaged. Ultimately, our economy could be driven back into a recession.

As we often have in our history, our country benefits from strong differences of opinion on many important issues affecting both federal legislation and the federal government. We believe it is important that we turn to the normal processes our government has for resolving these issues. We cannot afford to have either our government closed or our nation's creditworthiness called into question as part of the way we resolve these important issues.

Our three disparate sectors share a common view—no one benefits from the current shutdown and everyone will be harmed if the government defaults. It is in the interest of our nation that Congress restore the normal functioning of our political process, fund the government immediately and quickly move to resolve the impasse over the debt ceiling limit. We urge all of our leaders in Washington to set aside the many issues we disagree about, reach across the aisle and end the shutdown and the threat of a national default.

Sincerely,

THOMAS J. DONOHUE,
President and CEO,
U.S. Chamber of
Commerce.

RICHARD L. TRUMKA,
President, AFL-CIO.

STACEY D. STEWART,
U.S. President, United
Way Worldwide.

The PRESIDING OFFICER. The Senator from Oregon.

Mr. MERKLEY. The word's "fiscal responsibility" have echoed in this Chamber time after time and they have been put forward in defense of a series of strategies this year that can only be described as incredibly irresponsible.

Let's turn the clock back 6 months. We tried to convene a budget conference committee with the House and it was blocked. The budget conference committee was not blocked with the argument of fiscal responsibility. Yet there was a blockade of putting together a budget so we could have a smart plan to go forward and a foundation for the appropriations bills.

Then colleagues across the aisle blocked the appropriations process. They argued it was fiscally responsible to do so. But that meant keeping programs that are not working and continuing them rather than replacing them with better plans. So that, too, was irresponsible.

Then we had folks argue it would be fiscally responsible if we shut down the

government. But this is costing America. This is decreasing revenue. This is increasing expenses and it is increasing the deficit. Therefore, we have imposed by this group who argues in the name of fiscal responsibility that we have a tax across America, the government shutdown tax imposed on families across the land. If that was not enough, not enough to block the budget process, not enough to block the appropriations process, not enough to shut down the government, now we have a group wanting to go even further. They have their grand default strategy. They want the United States to default and they argue this will do us well fiscally.

They could not be more wrong. In the Banking Committee we had a series of experts come in and we asked the question, What will happen if we default? Just simple examples were given. For example, the interest rate will go up on mortgages. A 1-percent increase on a mortgage means for a family buying a 200,000 house, about \$120 more a month. That is the shutdown and the default tax that colleagues are imposing on families across America.

It doesn't stop there. Everything based on interest rates goes up. Everything based on income from economic activity goes down. Expenses of safety net programs go up; in other words, the deficit goes up and the debt goes up.

Let's stop this irresponsibility of blocking the budget process, blocking the appropriations process, shutting down the government, and imposing a default tax on families across this land. It is not only incredibly wrongheaded, it is doing great damage to families in every county, in every State across the United States of America. At this moment in this vote we are about to have, let's end this attack on the American families. Let's end this irresponsibility.

CLOTURE MOTION

The PRESIDING OFFICER. The cloture motion having been presented under rule XXII, the Chair directs the clerk to read the motion.

The assistant legislative clerk read as follows:

CLOTURE MOTION

We, the undersigned Senators, in accordance with the provisions of rule XXII of the Standing Rules of the Senate, hereby move to bring to a close debate on the motion to proceed to S. 1569, a bill to ensure the complete and timely payment of the obligations of the United States Government until December 31, 2014.

Harry Reid, Max Baucus, Patty Murray, Charles E. Schumer, Richard J. Durbin, Barbara A. Mikulski, Sheldon Whitehouse, Mark Udall, Bill Nelson, Barbara Boxer, Jon Tester, Brian Schatz, Benjamin L. Cardin, Kirsten E. Gillibrand, Maria Cantwell, Tim Kaine, Elizabeth Warren.

The PRESIDING OFFICER. By unanimous consent, the mandatory quorum call has been waived.

The question is, Is it the sense of the Senate that debate on the motion to proceed to S. 1569, a bill to ensure the complete and timely payment of the

obligations of the United States Government until December 31, 2014, and for other purposes, shall be brought to a close?

The yeas and nays are mandatory under the rule.

The clerk will call the roll.

The bill clerk called the roll.

Mr. CORNYN. The following Senators are necessarily absent: the Senator from Oklahoma (Mr. COBURN) and the Senator from Oklahoma (Mr. INHOFE).

The yeas and nays resulted—yeas 53, nays 45, as follows:

[Rollcall Vote No. 216 Leg.]

YEAS—53

Baldwin	Harkin	Murray
Baucus	Heinrich	Nelson
Begich	Heitkamp	Pryor
Bennet	Hirono	Reed
Blumenthal	Johnson (SD)	Rockefeller
Boxer	Kaine	Sanders
Brown	King	Schatz
Cantwell	Klobuchar	Schumer
Cardin	Landrieu	Shaheen
Carper	Leahy	Stabenow
Casey	Levin	Tester
Coons	Manchin	Udall (CO)
Donnelly	Markey	Udall (NM)
Durbin	McCaskey	Warner
Feinstein	Menendez	Warren
Franken	Merkley	Whitehouse
Gillibrand	Mikulski	Wyden
Hagan	Murphy	

NAYS—45

Alexander	Enzi	Moran
Ayotte	Fischer	Murkowski
Barrasso	Flake	Paul
Blunt	Graham	Portman
Boozman	Grassley	Reid
Burr	Hatch	Risch
Chambliss	Heller	Roberts
Chiesa	Hoeven	Rubio
Coats	Isakson	Scott
Cochran	Johanns	Sessions
Collins	Johnson (WI)	Shelby
Corker	Kirk	Thune
Cornyn	Lee	Toomey
Crapo	McCain	Vitter
Cruz	McConnell	Wicker

NOT VOTING—2

Coburn	Inhofe
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The PRESIDING OFFICER. On this vote, the yeas are 53, the nays are 45. Three-fifths of the Senators duly chosen and sworn not having voted in the affirmative, the motion is rejected.

The majority leader.

Mr. REID. Mr. President, was I originally recorded as “yes”?

The PRESIDING OFFICER. Yes.

Mr. REID. The record should reflect that I have changed that to “no.”

Mr. President, I enter a motion to reconsider the vote by which cloture was not invoked on the motion to proceed to S. 1569.

The PRESIDING OFFICER. The motion is entered.

Mr. REID. Mr. President, I ask unanimous consent that Senators be permitted to speak now during our morning hour business for up to 10 minutes each.

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

Mr. REID. I have just been told by my able assistant here that we are still on the motion to proceed. So we are not in morning business.

Now, Mr. President, just a quick announcement: Democrats will caucus in the Mansfield Room forthwith, right now.

Mr. President, I think it would be appropriate for everyone—this has been cleared with Senator McCONNELL.

The PRESIDING OFFICER. The Senate will be in order.

Mr. REID. Following the remarks of Senator LANDRIEU and Senator JOHANNIS, I would ask that—well, I will say that the Senate will stand in recess subject to the call of the Chair.

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

The Senator from Louisiana.

Ms. LANDRIEU. Mr. President, I know the Members of the Senate are going to be retiring to caucuses to try to figure out how we are going to move forward, and I am confident, with the good work of the people in this Chamber, we will find a way.

Senator JOHANNIS and I have been working, along with many of our colleagues, to try to come to some resolution about funding a city in the United States, the District of Columbia, that is not an agency of the Federal Government that happens to be the city that the seat of government sits in.

While I am not going to ask for consent now, I want to, through the Chair, ask Senator JOHANNIS to express, if he could, a few views about this, as we try to work our way forward for sometime maybe later this afternoon.

The PRESIDING OFFICER. The Senator from Nebraska.

Mr. JOHANNIS. Mr. President, I appreciate the good working relationship with Senator LANDRIEU. We have been talking back and forth. We exchanged phone calls through the evening—never quite did connect—but we have been talking here today. It is our desire to find a solution to this issue.

We understand that what the District of Columbia is asking for is the simple ability to use its funding. We are talking and working, and I am optimistic we are going to find a solution.

I would also say, as a former mayor, I can only understand the sleepless nights the mayor is going through. So both of us want to try to solve this issue, and I think the Senate does.

What I would like to do is continue our conversations over the next hour or so. They have been fruitful, and I think we are working our way toward a solution.

I appreciate the opportunity to work with Senator LANDRIEU.

Ms. LANDRIEU. I yield the floor.

• Mr. INHOFE. Mr. President, I am opposed to S. 1569. Our national debt is nearly \$17 trillion and has nearly doubled since the beginning of the Obama administration. If we allow the Nation to continue on its current path, it will only lead to economic destruction. Raising the debt ceiling without any strings attached would be irresponsible and reckless.

The President has already increased the debt limit five times since coming to office. The first occurred just a month after President Obama took office. At \$789 billion, the increase was provided to pay for his massive, unsuccessful stimulus package.

With supermajorities in the House and the Senate, the President was able to push nearly everything he wanted into law.

Because the stimulus package ended up being more expensive than expected, the President got another increase of \$290 billion just 10 months later. Then, just 2 months after that, the President pushed another increase through, this time for \$1.9 trillion. Thirteen months into his Presidency, President Obama had already increased the debt limit by nearly \$3 trillion.

Then, following the 2010 midterm elections, Republicans in Congress welcomed reinforcements, which changed the dynamic. With control of the House and an increased margin in the Senate, Republicans were able to force spending cut concessions from the President before agreeing to any debt limit increase.

In August 2010, after nearly exceeding the debt limit, the President agreed to increase the debt limit by \$2.1 trillion in exchange for \$2.1 trillion in spending cuts, including what has become known as sequestration. While I supported the total reduction in spending enacted by the bill, I voted against it because I believe the cuts should have been allocated in a different way. In total, nearly \$1 trillion was cut from national security spending, which is having a very real, hollowing effect on our ability to protect the Nation. Further, these cuts did not include anything from mandatory entitlement programs like food stamps, and too little of it came from other domestic programs that are better suited for the States to run.

Earlier this year, the President demanded another debt limit increase. He received it, but only after agreeing to force Senate Democrats to consider a budget, which until this year had never been done during the Obama administration. This bill also suspended Congressional pay until a budget was agreed to. I oppose this bill because I do not believe that simply passing a budget was enough. Real spending cuts with real reforms to our permanent programs are needed.

Today we find ourselves in the same situation, and my position has not changed. Spending is continuing to spiral out of control, and if we do nothing to rein it in, our national debt will skyrocket to \$25 trillion in the next decade. Even the President agrees with those numbers. We cannot allow this to happen, which is why I oppose S. 1569. •

RECESS SUBJECT TO THE CALL OF THE CHAIR

The PRESIDING OFFICER. The Senate stands in recess subject to the call of the Chair.

Thereupon, the Senate, at 12:36 p.m., recessed subject to the call of the Chair and reassembled at 2:16 p.m. when called to order by the Presiding Officer (Mr. HEINRICH).