On page 6, line 16, decrease the amount by $298,000,000.
On page 6, line 22, increase the amount by $14,000,000.
On page 6, line 24, increase the amount by $202,000,000.
On page 7, line 2, increase the amount by $126,000,000.
On page 7, line 4, decrease the amount by $11,000,000.
On page 7, line 6, decrease the amount by $298,000,000.
On page 13, line 21, increase the amount by $25,000,000.
On page 13, line 22, increase the amount by $13,000,000.
On page 14, line 1, increase the amount by $8,000,000.
On page 14, line 5, increase the amount by $4,000,000.
On page 14, line 9, increase the amount by $1,000,000.
On page 17, line 22, increase the amount by $120,000,000.
On page 17, line 23, increase the amount by $29,000,000.
On page 18, line 3, increase the amount by $33,000,000.
On page 18, line 7, increase the amount by $27,000,000.
On page 18, line 11, increase the amount by $18,000,000.
On page 18, line 15, increase the amount by $2,000,000.
On page 18, line 24, increase the amount by $120,000,000.
On page 18, line 25, increase the amount by $17,000,000.
On page 19, line 4, increase the amount by $90,000,000.
On page 19, line 8, increase the amount by $8,000,000.
On page 19, line 12, increase the amount by $2,000,000.
On page 19, line 24, increase the amount by $540,000,000.
On page 19, line 25, increase the amount by $187,000,000.
On page 20, line 4, increase the amount by $203,000,000.
On page 20, line 8, increase the amount by $75,000,000.
On page 20, line 12, increase the amount by $75,000,000.
On page 21, line 24, increase the amount by $125,000,000.
On page 21, line 25, increase the amount by $46,000,000.
On page 22, line 4, increase the amount by $25,000,000.
On page 22, line 8, increase the amount by $18,000,000.
On page 22, line 12, increase the amount by $15,000,000.
On page 22, line 16, increase the amount by $13,000,000.
On page 24, line 24, increase the amount by $70,000,000.
On page 24, line 25, increase the amount by $7,000,000.
On page 25, line 4, increase the amount by $26,000,000.
On page 25, line 8, increase the amount by $22,000,000.
On page 25, line 12, increase the amount by $15,000,000.
On page 53, line 1, increase the amount by $1,000,000,000.
On page 53, line 2, increase the amount by $298,000,000.

INCREASING THE STATUTORY LIMIT ON THE PUBLIC DEBT

The PRESIDING OFFICER. Under the previous order, the hour of 10:30 having arrived, the Senate will resume consideration of H.J. Res. 47, which the clerk will report.

The assistant legislative clerk read as follows:

A joint resolution (H.J. Res. 47), increasing the statutory limit on the public debt.

Pending:

Baucus/Lincoln amendment No. 3131, to require a study of debt held by foreigners.

AMENDMENT NO. 3131

The PRESIDING OFFICER. Under the previous order, the question is on agreeing to amendment No. 3131.

Mr. BAUCUS. Madam President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second. The clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. DURBIN. I announce that the Senator from Delaware (Mr. BIDEN) is necessarily absent.

I further announce that, if present and voting, the Senator from Delaware (Mr. BIDEN) would vote ''yea.''

The PRESIDING OFFICER (Mr. ENSIGN). Are there any other Senators in the Chamber desiring to vote?

The result was announced—yeas 44, nays 55, as follows:

[Rollcall Vote No. 53 Leg.]

YEAS—44

Akaka	Feinstein	Mikulski
Baucus	Harkin	Murray
Bayh	Inouye	Nelson (FL)
Bingaman	Jeffords	Nelson (NE)
Boxer	Johnson	Obama
Byrd	Kennedy	Pryor
Cantwell	Kerry	Reed
Carper	Kohl	Reid
Clinton	Landrieu	Rockefeller
Conrad	Lautenberg	Salazar
Dayton	Leahy	Sarbanes
Dodd	Levin	Schumer
Dorgan	Lieberman	Stabenow
Durbin	Lincoln	Wyden
Feingold	Menendez	

NAYS—55

Alexander	DeWine	McConnell
Allard	Dole	Murkowski
Allen	Domenici	Roberts
Bennett	Ensign	Santorum
Bond	Enzi	Sessions
Brownback	Frist	Shelby
Bunning	Graham	Smith
Burns	Grassley	Snowe
Burr	Gregg	Specter
Chafee	Hagel	Stevens
Chambliss	Hatch	Sununu
Coburn	Hutchison	Talent
Cochran	Inhofe	Thomas
Coleman	Isakson	Thune
Collins	Kyl	Vitter
Cornyn	Lott	Voinovich
Craig	Lugar	Warner
Crapo	Martinez	
DeMint	McCain	

NOT VOTING—1

Biden

The amendment (No. 3131) was rejected.

Mr. GREGG. I move to reconsider the vote and I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. GREGG. Mr. President, I ask unanimous consent the next vote in this series be 10 minutes in length; further, that when the votes begin at 1:30, all votes after the first vote be limited to 10 minutes.

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

The Democratic leader.

SENATOR SARBANES 11,000TH VOTE

Mr. REID. Mr. President, we just completed a vote that is a landmark for one of our Senators. Senator PAUL SARBANES cast his 11,000th vote.

It was only a few days ago that we stopped the proceedings of the Senate to underline and underscore the voting record of the senior Senator from Vermont, Senator LEAHY.

Senator SARBANES has decided not to run for reelection, as we all know, but what a legacy he has in the Senate. There is no one with a better academic record than PAUL SARBANES: Princeton University, summa cum laude, Phi Beta Kappa; a Rhodes scholar; he studied, of course, because of that, at Oxford; Harvard Law School.

Those who have had the privilege of working with PAUL SARBANES know that not only does he have this great intellect, he has so much common sense. Legislation he works on is detailed, very thorough.

He, of course, is our ranking member of the Committee on Banking. I have traveled with the distinguished senior Senator from Maryland. We have traveled various parts of the world. I have fond memories of PAUL SARBANES and all the things he has done. His wife Chris is a wonderful, caring person, just like PAUL.

Even though I have a lot of stories, I share one with the Senate. One of the things people do not realize about Senator SARBANES is his athletic ability. He is a great athlete. I was told a story about Senator SARBANES that for me is a classic. I love baseball. I follow the history of baseball. In high school, he was a star baseball player. He was selected to play on an all-star team. He was a shortstop. He comes to the all-star team as the shortstop from the Eastern Shore. The manager coach announces the starting lineup and he has SARBANES at second base. PAUL went up to the coach and said, I am a shortstop. I was selected as an all-star shortstop. The coach ignored him. He went back again, and finally the coach said, Kaline is starting shortstop. Al Kaline was a better shortstop, at least the coach thought so, than PAUL SARBANES. Al Kaline went to the Major Leagues when he was 18 or 19 years old and is in the Baseball Hall of Fame.

I know we have a lot of things to do today. People are going to the White House. There are a lot of places to go and this is a very important bill, but I could not let the time go by without acknowledging one of the great Senators in the history of our country, Senator PAUL SARBANES of Maryland.

The PRESIDING OFFICER. The Senator from West Virginia.

Mr. BYRD. Mr. President, I ask to speak not to exceed 3 minutes.

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

Mr. BYRD. Mr. President, one of the greatest orations ever uttered was the oration on the Crown. And it can be said that the theme of that oration was a question: Who least serves the State? Demosthenes answered that question: He who does not say what he thinks.

Socrates was asked which great oration of Demosthenes he liked best. Socrates answered, ''The longest.'' In other words, he liked the longest oration Demosthenes ever uttered. The Greeks taught the world to think.

This man who is going to leave us after this term, regrettably, and to our great loss, has always impressed me as a thinker, one in the train of Demosthenes.

PAUL SARBANES is a great Senator, a great Senator.

I can remember when he went with me and other Senators to Panama. There we talked to Torrijos and the other leaders of Panama, including our own people. It was there that I changed my mind about the Panama Canal Treaty. PAUL SARBANES was one of those who was there, who walked with us, who talked with us, who was on plane with Torrijos.

PAUL SARBANES has not only been a thinker, he has been a great inspiration to those who have served with him. He will be missed. He will not be replaced. There are no more PAUL SARBANES. I shall never forget him. He leaves a great void when he goes.

One might say: Whence cometh another?

The PRESIDING OFFICER. The Senator from Maryland.

Ms. MIKULSKI. Mr. President, I ask unanimous consent to speak for 2 minutes.

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

The Senator from Maryland.

Ms. MIKULSKI. Mr. President, much is being said about my dear and esteemed colleague, Senator SARBANES. He has been the longest serving Senator in Maryland's history. And I would put to the Senate, he has been the best serving Member of the U.S. Senate from Maryland.

Sure, he cast 11,000 votes, but each and every one of our colleagues will know that when those 11,000 votes were cast, they were cast with thoughtfulness, with due diligence, with the idea of how would that vote serve the Nation and how would it help Maryland.

If we want to honor Senator PAUL SARBANES, let's make sure every vote we cast brings to it the same kind of integrity, the same kind of intelligence, and the same kind of devotion and dedication. That is what I would like to do as the junior Senator, and say thank you for being side by side with me.

Mr. BYRD. Yes.

The PRESIDING OFFICER. The Senator from Maryland.

Mr. SARBANES. Mr. President, I know we want to proceed with our business, but if I could just be recognized for 1 minute.

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

Mr. SARBANES. Mr. President, I thank my colleagues for their very gracious remarks and all of my colleagues for their expressions of respect and affection.

My colleague, Senator MIKULSKI, said I was the longest serving Senator in Maryland's history. I want you to know, it is a little bit like being like Cal Ripken; every day you go to work, you set a new record—one more day than the day before.

It has been, obviously, one of the great focuses and joys of my life to be able to work here in the Senate with all my colleagues. I am extremely grateful to all of you.

I will just close with this story, because I am still here until the 3rd of January 2007. So there is still time to go.

But I once got an award. My mother was there at this dinner. This was a few years ago. And they asked her to speak as well. So she got up to speak, and she said how honored she was they had given this recognition to her son, and so forth, and how much she appreciated it. And then she closed her remarks by saying: He has been a good boy—so far.

I carry that comment with me.

Thank you all very much.

(Applause, Senators rising.)

The PRESIDING OFFICER. The assistant majority leader.

Mr. MCCONNELL. Mr. President, if I could just briefly say to our good friend from Maryland that Republican Senators, too, join in wishing him well on this extraordinary accomplishment. And if he would like to resign any time before January, that would be all right, too. But in the meantime, we are glad to have you around.

Congratulations, Senator SARBANES.

Mr. OBAMA. Mr. President, I rise today to talk about America's debt problem.

The fact that we are here today to debate raising America's debt limit is a sign of leadership failure. It is a sign that the U.S. Government can't pay its own bills. It is a sign that we now depend on ongoing financial assistance from foreign countries to finance our Government's reckless fiscal policies.

Over the past 5 years, our federal debt has increased by $3.5 trillion to $8.6 trillion. That is ''trillion'' with a ''T.'' That is money that we have borrowed from the Social Security trust fund, borrowed from China and Japan, borrowed from American taxpayers. And over the next 5 years, between now and 2011, the President's budget will increase the debt by almost another $3.5 trillion.

Numbers that large are sometimes hard to understand. Some people may wonder why they matter. Here is why: This year, the Federal Government will spend $220 billion on interest. That is more money to pay interest on our national debt than we'll spend on Medicaid and the State Children's Health Insurance Program. That is more money to pay interest on our debt this year than we will spend on education, homeland security, transportation, and veterans benefits combined. It is more money in one year than we are likely to spend to rebuild the devastated gulf coast in a way that honors the best of America.

And the cost of our debt is one of the fastest growing expenses in the Federal budget. This rising debt is a hidden domestic enemy, robbing our cities and States of critical investments in infrastructure like bridges, ports, and levees; robbing our families and our children of critical investments in education and health care reform; robbing our seniors of the retirement and health security they have counted on.

Every dollar we pay in interest is a dollar that is not going to investment in America's priorities. Instead, interest payments are a significant tax on all Americans—a debt tax that Washington doesn't want to talk about. If Washington were serious about honest tax relief in this country, we would see an effort to reduce our national debt by returning to responsible fiscal policies.

But we are not doing that. Despite repeated efforts by Senators CONRAD and FEINGOLD, the Senate continues to reject a return to the commonsense Pay-go rules that used to apply. Previously, Pay-go rules applied both to increases in mandatory spending and to tax cuts. The Senate had to abide by the commonsense budgeting principle of balancing expenses and revenues. Unfortunately, the principle was abandoned, and now the demands of budget discipline apply only to spending.

As a result, tax breaks have not been paid for by reductions in Federal spending, and thus the only way to pay for them has been to increase our deficit to historically high levels and borrow more and more money. Now we have to pay for those tax breaks plus the cost of borrowing for them. Instead of reducing the deficit, as some people claimed, the fiscal policies of this administration and its allies in Congress will add more than $600 million in debt for each of the next 5 years. That is why I will once again cosponsor the Pay-go amendment and continue to hope that my colleagues will return to a smart rule that has worked in the past and can work again.

Our debt also matters internationally. My friend, the ranking member of the Senate Budget Committee, likes to remind us that it took 42 Presidents 224 years to run up only $1 trillion of foreign-held debt. This administration did more than that in just 5 years. Now, there is nothing wrong with borrowing from foreign countries. But we must remember that the more we depend on foreign nations to lend us money, the more our economic security is tied to the whims of foreign leaders whose interests might not be aligned with ours.

Increasing America's debt weakens us domestically and internationally. Leadership means that ''the buck stops here.'' Instead, Washington is shifting the burden of bad choices today onto the backs of our children and grandchildren. America has a debt problem and a failure of leadership. Americans deserve better.

I therefore intend to oppose the effort to increase America's debt limit.

Mr. GRASSLEY. Mr. President, I urge my colleagues to vote in favor of final passage.

Raising the debt limit is necessary to preserve the full faith and credit of the U.S. Government.

We cannot as a Congress pass spending bills and tax bills and then refuse to pay our bills.

Refusing to raise the debt limit is like refusing to pay your credit card bill—after you've used your credit card.

The time to control the deficits and debt is when we are voting on the spending bills and the tax bills that create it.

Raising the debt limit is about meeting the obligations we have already incurred.

We must meet our obligations. Vote for this bill.

Mr. COBURN. Mr. President, the spending process in the Congress is broken. Some will argue that now is not the time to debate spending reform or budget reform. They will say that now is not the time to have a debate about our country's spending priorities. They will argue that right now we need to just ''pay our bills'' for past transactions and discuss reforms some time in the future. Raising the debt limit, however, does not count as ''paying the bills.'' We are not paying our bills.

Last fiscal year, the real Federal deficit—the amount by which the Federal debt increased—was $538 billion. When we raise the debt limit, we are not ''paying our bills.'' We are merely taking out another line of credit—another loan—to allow for more spending that we can't afford. It is akin to a deeply indebted family getting a loan for a new car or getting a new credit card or line of credit without cutting up the old credit cards that got them in trouble in the first place.

According to the Congressional Budget Office, the Federal Government spent roughly $2.5 trillion during the last fiscal year. Let's look at that amount of spending another way. If the Federal Government spent $2.5 trillion last year, that means that on average, $6.8 billion was spent each day, or $78,418 was spent per second by the Federal Government.

I believe that it is absolutely necessary to have an open and honest debate about our spending priorities. We are getting ready to increase this country's debt limit to almost $9 trillion. Over the past 5 years, our national debt has increased by $3 trillion, or nearly $9,000 per American. That is a lot of money. In 1990, our total national debt was about $3 trillion. That means that it took our country more than 200 years to accumulate that amount of debt—200 years to increase our debt by $3 trillion. We just added that much new debt in only 5 years.

In 2001, the share of Federal debt per person in this country was a little over $20,000. That includes everyone—not just those in the workforce. According to the Office of Management and Budget and the Census Bureau, total Federal debt per American will rise to $29,000 per American by the end of 2006. That is an increase of $9,000 per man, woman, and child in this country since 2001. But a lot of people are quick to dismiss that figure. They will say that it doesn't matter, that we only need to worry about how debt and deficits compare to economic growth or to the size of the economy. I think a better rule of thumb is how Government growth compares to the growth of wages and earnings.

If regular Americans are tightening their belts, the Federal Government should do the same instead of engaging in yet another spending binge. Since 2001, total Federal debt per American has increased by $9,000. But over that same time period, the average wages of American workers have only increased by $4,200. Over the past 5 years, the growth of Federal debt per person has doubled the growth of average wages of American workers. What makes this situation even worse is that that $9,000 increase in debt per person is just going to get bigger and bigger because we are not doing anything to cut spending or prepare for the impending fiscal crisis that will result from the retirement of the baby boomer generation. Interest on that debt is just going to get larger.

Last year, interest costs—the costs of Federal debt that the Government must pay to those who buy U.S. Treasury bonds—were about 8 percent of the total Federal budget. In contrast, the average American spends roughly 5 percent of his or her income on credit card debt and car loans according to the Federal Reserve. The Federal Government spent close to $200 billion on interest costs alone last year. According to the Government Accountability Office, or GAO, interest costs will consume 25 percent of the entire Federal budget by 2035. Let's put that figure into perspective. Twenty-five percent of the Federal budget is a huge amount.

By way of comparison, the Department of Education's share of Federal spending in 2005 was approximately 3 percent of all Federal spending. The Department of Health and Human Services was responsible for approximately 23 percent of all Federal spending. Spending by the Social Security Administration was responsible for about 20 percent of all Federal spending. Spending on Medicare was about 12 percent of all Federal spending. Spending in 2005 by the Department of Defense—in the midst of two wars in Iraq and Afghanistan and a global war against terrorism—comprised about 19 percent of all Federal spending. Thus, if we do not change our current spending habits, GAO estimates that as a percentage of Federal spending, interest costs in 2035 will be larger than defense costs today, Social Security costs today, Medicare costs today, and education costs today.

No family in America would ever be able to manage its finances this way. No family would be able to build up insane amounts of debt, unilaterally increase all of its credit card limits with no ability to ever pay them off, and still be able to spend, spend, spend without any accountability. We have some very serious problems to address regarding spending priorities in this country.

According to the Congressional Research Service, Congress appropriated $64 billion in earmarks for 2006, the current fiscal year. That doesn't even include the earmarks from the highway bill that was passed in 2005. We are going to spend $64 billion on earmarks and pork projects across the country this year even though it is estimated that the real Federal deficit—including the money that is regularly stolen from Social Security—will again surpass half a trillion dollars.

Earmarks are a serious problem because they put parochial interests ahead of national priorities. They put the interests of the next election ahead of the interests of the next generation. Some, however, argue that earmarks are not really a problem because they comprise a small percent of the budget. They argue that entitlement spending is the problem and that we ought to address that problem instead of focusing on earmarks. These arguments completely miss the point.

If entitlements are the real problem and earmarks are not a problem, then why did entitlement savings passed in the last budget resolution for fiscal year 2006 only amount to $5 billion? If entitlements are the real problem, why did we spend 13 times more money on earmarks last year than we saved in entitlement programs? At that rate, we will solve our country's fiscal problems some time after never. The budget resolution we passed last year created entitlement savings of about $40 billion over the next 5 years. We spent more on earmarks in 1 single year than we saved from entitlement programs over 5 years. Over the past 3 years—since 2004—we have spent nearly $160 billion on earmarks and special interest pork projects according to the Congressional Research Service.

Since 1994, the number of individual earmarks has more than tripled, increasing from 4,126 in 1994 to 12,852 in fiscal year 2006. Of those 12,852 earmarks, over 95 percent were not even included in bill language. Instead, they were hidden within conference reports. Many never even saw the light of day until they were snuck into unamendable conference reports that were sure to be rammed through at the last minute. Earmarking is a very serious problem that needs to be addressed before we can get our fiscal house in order. However, there are also other spending issues that this body should address.

The issue of improper payments by the Federal Government is one that can and should be fixed. The subcommittee that I chair—the Subcommittee on Federal Financial Management—has examined this issue in depth. We have uncovered numerous examples of improper payments that waste taxpayer money and harm those who aren't receiving the assistance they need. An improper payment is basically a payment that was either made to the right person in the wrong amount or a payment that was given to the wrong person, regardless of the amount. Improper payments include payments that were too high and payments that were too low.

According to estimates by the Office of Management and Budget, improper payments last year totaled $37 billion. That figure is larger than last year's expenditures by the Departments of Commerce, Interior, State, and Environmental Protection Agency combined. The amount of improper payments just from last year could have completely funded four major Federal agencies. Improper payments are a very serious problem. For example, 28 percent of all payments within the earned income tax credit program are incorrectly made. Thus, for every dollar we spend in that program, 25 cents are completely wasted. Improper payments within the Social Security Administration totaled nearly $6 billion. And these figures don't even take into account the seven major programs with outlays totaling about $228 billion that are not yet even reporting their improper payments.

There are some who wish to make the issue of spending a partisan issue, but it is not a partisan issue. Members of both parties are guilty of putting short-term interests ahead of long-term priorities. Last week, Members of both parties voted to ignore Senate budget rules in order to spend an additional $1 billion that is not paid for on home-heating costs even though the month of January was the warmest on record and winter will be over in less than a week. Both parties appear to lack the political courage to make the hard choices to address our impending fiscal crisis. This issue has nothing to do with Republicans and nothing to do with Democrats—it has to do with what is best for the American public.

Mr. President, the spending process in this body is broken. Our priorities are completely out of whack. Earmarking and wasteful spending are out of control. It makes no sense to effectively max out our credit cards and ask for a higher credit limit when we have no intention and no ability to ever actually pay for our debts.

Mr. LEVIN. Mr. President, the outcome of today's vote on raising the debt ceiling to nearly $9 trillion is not in question, but our future economic security will be if we do not change from our current disastrous course. We will raise the debt limit today so that the United States does not default on its obligations, but we cannot for a second think that we have solved the problem or even moved in the right direction.

This will be the fourth time in 5 years that we have had to raise the amount the Government is allowed to borrow. This is a direct result of the fiscal irresponsibility of this administration. These policies have taken the Nation from 2 years of record surpluses just 6 years ago—when we were paying down our debt—to record deficits and debt. We are passing on a crippling burden to our children and grandchildren and threatening our economic security.

Since 2002, we have increased the debt limit by an astounding $3 trillion. And unless we make a significant change in our fiscal policies, there are additional increases in our future. The Congressional Budget Office forecasts that our gross Federal debt, which includes debt the Government owes to the public plus funds owed to Federal trust funds, including Social Security and Medicare, will climb from its current level of $8.3 trillion to $12.8 trillion by 2016. Even this extraordinary estimate does not include either the coming costs of military operations in Iraq or the substantial cost of fixing the alternative minimum tax, which if left unchanged will impose unintended tax increases on middle-income taxpayers, which most agree need to be changed.

The burden this massive debt puts on our children is staggering. Today, each American citizen's share of the debt is over $27,000, and it will rise to over $39,000 by 2016. Paying off this debt will require either extraordinary tax increases or significant cuts in critical areas such as defense or Social Security. Tragically, it will mean that an increasing number of taxpayer dollars will be spent not on moving America forward but simply on treading water by making interest payments to our creditors. Even under the CBO's conservative estimates, interest payments on the gross debt will rise from $352 billion in 2005 to $662 billion in 2016. That means over the next 10 years, we will spend an estimated $5.6 trillion on interest payments alone. Making these interest payments means fewer resources are available for our national priorities such as shoring up the Social Security and Medicare trust funds as the babyboom generation begins to retire.

Equally disturbing is what this rampant borrowing will mean for our economic security. As we go deeper into debt to foreign countries we are losing control of our own destiny. Over 90 percent of our newly issued debt is being purchased by foreigners. By the end of 2004, U.S. Treasury debt held by foreigners was close to $2.2 trillion, more than double the amount that was held at the beginning of this administration. This large amount of foreign debt leaves us vulnerable to the priorities of foreign creditors. If foreign investors, including countries, were to decide, for economic or political reasons, to stop financing our debt, the U.S. economy would be in for a severe shock.

Even without a catastrophic event, our unbridled foreign borrowing erodes our power by providing other countries with leverage during trade or other negotiations. We cannot delude ourselves into thinking we can maintain our position in the world if we can't even balance our checkbook.

We need to turn away from this administration's irresponsible fiscal policies. One of the best steps we could take would be to reinstate pay-as-you-go budget enforcement rules that require tax cuts and not just spending to be paid for. This approach worked during the 1990s to help bring about the first surpluses in a generation, and it can work again.

We should also revisit this administration's irresponsible and unfair tax cuts that have driven us so deeply into this deficit ditch. It is unconscionable that middle-class Americans will be paying for years for tax cuts that went primarily to the wealthiest among us. In fact, the top 5 percent of households in our country, whose average income is more than $250,000 a year, received almost half of the President's tax cuts.

Today's action to raise the debt limit will hopefully be a reality check on what Republican fiscal policies have wrought. We need to change course. We need to return to fiscal responsibility. And we need to start climbing out of this deficit ditch before we are buried in it.

Mr. BIDEN. Mr. President, I was necessarily absent this morning when we considered Senator BAUCUS's amendment to the debt limit increase. If I had been here, I would have supported the Baucus amendment.

The Baucus amendment is clearly needed. The massive scale of other nations' accumulation of our debt has added another level of danger and complexity to our international economic relations.

This is a two-way street. The tsunami of debt created by the policies of this administration has to go somewhere. China is one of the major purchasers of that debt. Japan, Great Britain, and others have major holdings, too. In the short term, that has soaked up a lot of our bonds, and helped to keep interest rates down. That is a good thing.

However, that has kept the Chinese currency artificially low, and ours artificially high. So they can sell their products at a discount, and our exports are more expensive. That is a bad thing.

Our trade deficit was a record $726 billion last year; $202 billion of that was our trade deficit with China alone.

But as the rest of the world copes with the waves of U.S. debt, we are now all in the same leaky boat. There is just so much of our debt other nations want to hold. The more of it they accumulate, the closer we are to the day when they will not want any more.

When that happens, slowly or rapidly, our interest rates will go up, the value of their U.S. bonds will drop, and we will all have big problems. We need both more awareness, and more understanding, of this fundamental threat to our economic well being and the global economy.

But the roots of that threat lie in the disastrous policies of this administration.

Because this massive accumulation of debt was predicted, because it was foreseeable, because it was unnecessary, because it was the result of willful and reckless disregard for the warnings that were given and for the fundamentals of economic management, I am voting against the debt limit increase.

In the 5 years he has been in office, President Bush has added more to our foreign debt that the 42 Presidents before him. It took 224 years to accumulate $1 trillion of debt to other nations. It took President Bush just 5 years to more than double it.

Over $3 trillion in debt, foreign debt and debt held by Americans, has been piled up by this administration.

When he set out on the course that brought us to this sorry state, the President was clearly and repeatedly warned that massive tax cuts would leave us vulnerable to natural disasters, economic slowdown, or threats to our national security. ''Don't worry,'' the President told us. ''I know what I am doing.''

After 9/11, in the face of what he has himself called the moral equivalent of the World War II, or the Cold War, he insisted that while everything else had changed, he would not change his economic policies.

Facts had changed. His promise to balance the budget, his promise to pay down the debt, were proved to be false.

But he refused to take responsibility for his policies. He refused to admit that a changed world demanded a change of course. His refusal has pushed us deeper and deeper into the hole.

His refusal added $450 billion to the debt in 2002; it added $984 billion in 2003; it added $800 billion in 2004. And here we are again today, adding another $781 billion. With that addition, our national debt will be $8.6 trillion at the end of this year.

The President's budget plans will bring that number to $11.8 trillion at the end of the next 5 years.

This is a record of utter disregard for our Nation's financial future. It is a record of indifference to the price our children and grandchildren will pay to redeem our debt when it comes due.

History will not judge this record kindly.

My vote against the debt limit increase cannot change the fact that we have incurred this debt already, and will no doubt incur more. It is a statement that I refuse to be associated with the policies that brought us to this point.

Mr. DODD. Mr. President, the Bush administration seeks for the fourth time in 5 years to increase the indebtedness of the United States—this time by $781 billion. This body's consideration of that increase allows us a moment to take stock of the abysmal fiscal health of our country.

As a Washington Post editorial pointed out yesterday morning, this President solemnly pledged upon taking office to payoff $2 trillion in debt held by the public over the next decade. It is patently obvious that President Bush has not just failed but failed spectacularly to deliver on his pledge. He has managed to amass more debt than any President in history, with no end in sight.

By the end of this year, our gross Federal debt is expected to surpass $8.6 trillion, or nearly $28,000 for every man, woman, and child in America. This amount represents an increase of approximately $3 trillion since President Bush took office.

This dramatic runup in the debt has real costs for America's families—both today and for future generations. It puts upward pressure on interest rates for things like student loans, home mortgages, and automobile loans. It raises the cost of capital for business investment. Each of these, in everything but name, represents a tax increase on American families and businesses.

More directly, instead of investing in America's most important priorities—like education, health care, and homeland security—the taxpayers of today and tomorrow must spend more money paying off yesterday's debts. In the late 1990s, interest on the debt represented a declining share of our total budget. Today, that share has begun to rise once again, a trend that would continue under the budget put forward by the administration and the leadership in this body. For 2007 alone, taxpayers will spend $247 billion dollars on interest on the debt instead of American troops and veterans or American families and children.

Our leaders have to be candid with the American public about the sources of this unprecedented level of indebtedness.

The administration is not incurring these debts in order to invest in education. They are not supporting States and local communities struggling to meet their school funding needs out of property taxes.

The administration is not incurring these debts to improve our infrastructure. States, municipalities, and local communities are struggling desperately just to maintain the infrastructure they have—roads, bridges, ports. They are struggling to maintain a 20th century infrastructure, let alone build a 21st century one.

Certainly, the wars in Iraq and Afghanistan have had a cost. So have the terrorist attacks of September 11, 2001, and natural disasters. Though the President has been quick to blame factors like these, the truth is the tax policies of his administration have played a far greater role in creating the budget deficits accumulated on his watch.

Under those policies, this administration has spent close to $125 billion on tax benefits for the few most fortunate households in America—those 0.2 percent of individuals making more than $1 million per year—while doing little, if anything, for families in the middle and those working hard to get themselves in the middle.

In a time of war and fiscal and economic strain, this administration has delivered a tax windfall to the most fortunate. Never before has a President made this choice during a time of war.

Regrettably, this kind of shortsighted leadership has been rubberstamped repeatedly by the leaders of this Congress on the other side of the aisle.

I would have hoped, at a minimum, that we as a body could adopt measures to restore some semblance of fiscal sanity, such as pay-as-you-go budget procedures or a smaller debt limit increase. Unfortunately, neither of these common sense reforms was adopted. Indeed, the majority even rejected an amendment by the Senator from Montana to merely study the impact that foreign-held U.S. debt is having on our Nation's long-term well-being.

We cannot erase what has happened in the past, but we can demonstrate to the people of our country going forward that the Senate is willing to take commonsense steps to put our Nation back on firmer budgetary footing. That, regrettably, has not happened in the Senate today. However, many of us will continue the effort to place our nation's fiscal house on firmer ground.

The PRESIDING OFFICER. The question is on the third reading of the joint resolution.

The joint resolution was ordered to a third reading and was read the third time.

The PRESIDING OFFICER. The question is, Shall the joint resolution pass?

Mr. BAUCUS. Mr. President, is there time to speak on the debt limit?

The PRESIDING OFFICER. There is not.

Mr. MCCONNELL. Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There appears to be a sufficient second.

The clerk will call the roll.

The bill clerk called the roll.

The result was announced—yeas 52, nays 48, as follows:

[Rollcall Vote No. 54 Leg.]

YEAS—52

Alexander	Coleman	Graham
Allard	Collins	Grassley
Allen	Cornyn	Gregg
Bennett	Craig	Hagel
Bond	Crapo	Hatch
Brownback	DeMint	Hutchison
Bunning	DeWine	Inhofe
Burr	Dole	Isakson
Chafee	Domenici	Kyl
Chambliss	Enzi	Lott
Cochran	Frist	Lugar

Martinez	Shelby	Thomas
McCain	Smith	Thune
McConnell	Snowe	Vitter
Murkowski	Specter	Voinovich
Roberts	Stevens	Warner
Santorum	Sununu	
Sessions	Talent	

NAYS—48

Akaka	Durbin	Lincoln
Baucus	Ensign	Menendez
Bayh	Feingold	Mikulski
Biden	Feinstein	Murray
Bingaman	Harkin	Nelson (FL)
Boxer	Inouye	Nelson (NE)
Burns	Jeffords	Obama
Byrd	Johnson	Pryor
Cantwell	Kennedy	Reed
Carper	Kerry	Reid
Clinton	Kohl	Rockefeller
Coburn	Landrieu	Salazar
Conrad	Lautenberg	Sarbanes
Dayton	Leahy	Schumer
Dodd	Levin	Stabenow
Dorgan	Lieberman	Wyden

The joint resolution (H.J. Res. 47) was passed.

Mr. McCONNELL. I move to reconsider the vote.

Mr. SANTORUM. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

CONGRESSIONAL BUDGET FOR THE UNITED STATES GOVERNMENT FOR FISCAL YEAR 2007—Continued

AMENDMENT NO. 3133

The PRESIDING OFFICER. Under the previous order, the Senate will resume consideration of S. Con. Res. 83.

Under the previous order, the vote now occurs on the Conrad amendment No. 3133.

Mr. SANTORUM. I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There appears to be a sufficient second.

The question is on agreeing to amendment No. 3133.

The clerk will call the roll.

The legislative clerk called the roll.

Mr. McCONNELL. The following Senator was necessarily absent: the Senator from Ohio (Mr. VOINOVICH).

The PRESIDING OFFICER. Are there any other Senators in the Chamber desiring to vote?

The result was announced—yeas 44, nays 55, as follows:

[Rollcall Vote No. 55 Leg.]

YEAS—44

Akaka	Feingold	Menendez
Baucus	Feinstein	Mikulski
Bayh	Harkin	Murray
Biden	Inouye	Nelson (FL)
Bingaman	Jeffords	Obama
Boxer	Johnson	Pryor
Byrd	Kennedy	Reed
Cantwell	Kerry	Reid
Carper	Kohl	Rockefeller
Clinton	Landrieu	Salazar
Conrad	Lautenberg	Sarbanes
Dayton	Leahy	Schumer
Dodd	Levin	Stabenow
Dorgan	Lieberman	Wyden
Durbin	Lincoln	

NAYS—55

Alexander	Bennett	Bunning
Allard	Bond	Burns
Allen	Brownback	Burr
Chafee	Graham	Roberts
Chambliss	Grassley	Santorum
Coburn	Gregg	Sessions
Cochran	Hagel	Shelby
Coleman	Hatch	Smith
Collins	Hutchison	Snowe
Cornyn	Inhofe	Specter
Craig	Isakson	Stevens
Crapo	Kyl	Sununu
DeMint	Lott	Talent
DeWine	Lugar	Thomas
Dole	Martinez	Thune
Domenici	McCain	Vitter
Ensign	McConnell	Warner
Enzi	Murkowski	
Frist	Nelson (NE)	

NOT VOTING—1

Voinovich

The amendment (No. 3133) was rejected.

VOTE ON AMENDMENT NO. 3114

The PRESIDING OFFICER. The question now is on agreeing to the Burr amendment No. 3114.

Mr. BURR. Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The clerk will call the roll.

The bill clerk called the roll.

The result was announced—yeas 99, nays 1, as follows:

[Rollcall Vote No. 56 Leg.]

YEAS—99

Akaka	Domenici	McCain
Alexander	Dorgan	McConnell
Allard	Durbin	Menendez
Allen	Ensign	Mikulski
Baucus	Enzi	Murkowski
Bayh	Feingold	Murray
Bennett	Feinstein	Nelson (FL)
Biden	Frist	Nelson (NE)
Bingaman	Graham	Obama
Bond	Grassley	Pryor
Boxer	Gregg	Reed
Brownback	Hagel	Reid
Bunning	Harkin	Roberts
Burns	Hatch	Rockefeller
Burr	Hutchison	Salazar
Cantwell	Inhofe	Santorum
Carper	Inouye	Sarbanes
Chafee	Isakson	Schumer
Chambliss	Jeffords	Sessions
Clinton	Johnson	Shelby
Coburn	Kennedy	Smith
Cochran	Kerry	Snowe
Coleman	Kohl	Specter
Collins	Kyl	Stabenow
Conrad	Landrieu	Stevens
Cornyn	Lautenberg	Sununu
Craig	Leahy	Talent
Crapo	Levin	Thomas
Dayton	Lieberman	Thune
DeMint	Lincoln	Vitter
DeWine	Lott	Voinovich
Dodd	Lugar	Warner
Dole	Martinez	Wyden

NAYS—1

Byrd

The amendment (No. 3114) was agreed to.

Mr. GREGG. I move to reconsider the vote, and I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER (Mr. GRAHAM). The time until 1:30 p.m. shall be equally divided.

Mr. GREGG. Mr. President, at this point, we are going to begin the amending process again. The sequence on our side will be Senator CORNYN, Senator VITTER, then I understand we go to Senator STABENOW and Senator AKAKA.

Mr. CONRAD. Mr. President, on our side it is Senator STABENOW, Senator AKAKA, Senator LINCOLN. I should intercede, Senator VITTER will be paired with Senator LANDRIEU on an amendment for Louisiana.

Mr. GREGG. We will do Senator CORNYN and then Senator VITTER, and then I presume we will go to Senator STABENOW and then Senator AKAKA, then Senator COLLINS, then Senator LINCOLN; right?

Mr. CONRAD. Very well.

Mr. GREGG. I yield Senator CORNYN 5 minutes.

The PRESIDING OFFICER. The Senator from Texas is recognized for 5 minutes.

AMENDMENT NO. 3100

Mr. CORNYN. Mr. President, I call up amendment No. 3100 and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Texas [Mr. CORNYN], for himself, and Mr. GRAHAM, proposes an amendment numbered 3100.

Mr. CORNYN. Mr. President, I ask unanimous consent that the reading of the amendment be dispensed with.

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

The amendment is as follows:

(Purpose: To provide for reconciliation instructions to the Committee on Finance to reduce mandatory spending)

On page 4, line 15, decrease the amount by $1,279,625,000.

On page 4, line 17, decrease the amount by $1,340,125,000.

On page 4, line 19, decrease the amount by $1,403,250,000.

On page 4, line 21, decrease the amount by $1,469,500,000.

On page 5, line 6, decrease the amount by $1,279,625,000.

On page 5, line 8, decrease the amount by $1,340,125,000.

On page 5, line 10, decrease the amount by $1,403,250,000.

On page 5, line 12, decrease the amount by $1,469,500,000.

On page 5, line 21, decrease the amount by $1,279,625,000.

On page 5, line 23, decrease the amount by $1,340,125,000.

On page 5, line 25, decrease the amount by $1,403,250,000.

On page 6, line 2, increase the amount by $1,469,500,000.

On page 6, line 10, decrease the amount by $1,279,625,000.

On page 6, line 12, decrease the amount by $2,619,750,000.

On page 6, line 14, decrease the amount by $4,023,000,000.

On page 6, line 16, decrease the amount by $5,492,500,000.

On page 6, line 24, decrease the amount by $1,279,625,000.

On page 7, line 2, decrease the amount by $2,619,750,000.

On page 7, line 4, decrease the amount by $4,023,000,000.

On page 7, line 6, decrease the amount by $5,492,500,000.

On page 21, line 3, decrease the amount by $1,250,000,000.

On page 21, line 4, decrease the amount by $1,250,000,000.

On page 21, line 7, decrease the amount by $1,250,000,000.