The Senate met at 9:30 a.m. and was called to order by the Honorable Kirsten E. Gillibrand, a Senator from the State of New York.

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

Let us pray.

O God, our refuge, help us to never doubt Your generous love. You gave us Heaven's best gift and desire to freely give us more than we can ask or imagine. Even when we sin, You still love us. Great is Your faithfulness. Give to our lawmakers gifts that only You possess. Give them this day the gifts of courage to admit mistakes, grace to rise when they fall, and peace that the world cannot give. Give them this day the gifts of forgiveness for the past, courage for the present, and hope for the future. Keep them calm in the quiet center of their lives so that they may be serene in the swirling stresses of life.

We pray in Your merciful Name. Amen.

**PLEDGE OF ALLEGIANCE**
The Honorable Kirsten E. Gillibrand led the Pledge of Allegiance, as follows:

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

**APPOINTMENT OF ACTING PRESIDENT PRO TEMPORE**
The PRESIDING OFFICER. The clerk will please read a communication to the Senate from the President pro tempore (Mr. Inouye).

The assistant legislative clerk read the following letter:

U.S. SENATE;
PRESIDENT PRO TEMPORE;
Washington, DC, May 9, 2012.

To the Senate:
Under the provisions of rule I, paragraph 3, of the Standing Rules of the Senate, I hereby appoint the Honorable Kirsten E. Gillibrand, a Senator from the State of New York, to perform the duties of the Chair.

Daniel K. Inouye,
President pro tempore.

Mrs. GILLIBRAND thereupon assumed the chair as Acting President pro tempore.

**RECOGNITION OF THE MAJORITY LEADER**
The ACTING PRESIDENT pro tempore. The majority leader is recognized.

**STOP THE STUDENT LOAN INTEREST RATE HIKE ACT OF 2012—MOTION TO PROCEED**
Mr. REID. Madam President, I move that the Senate resume consideration of the motion to proceed to S. 2343, and I ask unanimous consent that the time until 2 p.m. be equally divided and controlled between the two leaders or their designees, with the Republicans controlling the first 30 minutes and the majority controlling the second 30 minutes.

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

The clerk will report the bill by title. The legislative clerk read as follows:

Motion to proceed to S. 2343, a bill to amend the Higher Education Act of 1965 to extend the reduced interest rate for Federal Direct Stafford Loans, and for other purposes.

The ACTING PRESIDENT pro tempore. The majority leader.

Mr. REID. Madam President, the clerk just read the matter before the Senate, which is to prevent the interest rate on loans students receive to go to school—the money they borrow—from doubling from 3.4 percent to 6.8 percent. That is the pending matter before the Senate.

Yesterday the Republicans continued to filibuster our plan to prevent that from happening. We do not want the rates to double. We don’t want them to go up at all. There are 30,000 people in Nevada who are depending on our doing something to freeze those rates. But what is worse, in my estimation—and I think that of the American people—is that Republicans seem proud of blocking this legislation. Not a single Republican voted to allow the debate to go forward.

This isn’t an issue of saying: OK, if I vote for this, this will be the legislation. They would not even let us go forward to debate it. They have said they like the bill, except they do not like the way it is paid for. Fine. Let’s get on the bill and offer amendments to pay for it. But no—every single Republican voted no. Every single Republican said: We are not going to allow a debate.

The American people certainly shouldn’t be surprised because this has been going on for 3 years, almost 4 years. Everything is a fight. They are blocking legislation that would allow us to stop the increase of the rate on student loans. That is wrong. And the person who signed this legislation into law, making this interest rate such as it is, was President Bush. So I hope Republicans will come to their senses and work with us to accomplish this, but I am not holding my breath because, as I indicated, they seem proud they have stopped another piece of legislation altogether.

Now, what does this mean, that they are hanging together to stop legislation, to stop progress? Well, as we work to create jobs and make college affordable, our colleagues—my Republican friends on the other side of the aisle—operate under a different set of priorities.

In the House, for example, there are efforts now underway to undo a hard-fought agreement of last August to cut more than $2 trillion from the deficit over the next decade. That agreement came after threats by the tea party-
driven House—and now 40 percent of the people over here are tea party advocates—to shut down the government. And they wanted to do that in a couple of different ways: not allowing us to continue funding for government programs, and then, for the first time ever, doing a shutdown. It was a shutdown. The fight over weeks and weeks as to whether we should increase the debt ceiling in this country. During President Reagan’s time in running the country, this had been done dozens of times. But, no, these folks will do nothing without a big fight. As a result of that, we came to an agreement that was bipartisan. Now, some say the agreement was forced upon the Republicans, but they voted for it, an agreement to reduce the deficit, and the deficit we couldn’t reduce before August of last year. We said: OK, fine, if we don’t do something about it this year, then there will be automatic cuts called sequestration.

Now, when the House is doing everything they can to walk away from the agreement we made and the bipartisan vote we took. They are doing everything they can. They have a Republican budget, the so-called Ryan budget. And I say “so-called” because they are trying to make a reconciliation bill, but they can’t do it because they are not following the law to do that. So they not only have reneged on this bicameral, bipartisan agreement to reduce spending, but they have fundamental priorities because they hand out even more tax breaks to multimillionaires and shield corporate defense contractors, all at the expense of hard-working, middle-class families, the elderly, and those who can least afford it. That is what they are doing in the House. They are going to have a so-called rule today and vote on it shortly thereafter. They would slash investments to strengthen our economy and the working Americans and struggling families.

Let’s review a little bit of history again. The sequester isn’t the first bipartisan agreement to reduce the deficit. When I became the Democratic leader, I thought—having served on the Committee on Foreign Affairs in the House of Representatives and being very interested in America’s involvement in foreign affairs, I took a trip to Central and South America. That was so necessary. And I took Democratic and Republican Senators with me. I had very much wanted Senator Gregg to go with me on that trip. One was Judd Gregg, a very fine Senator from New Hampshire, who has retired, I am sorry to say. I recommended that Senator Gregg be a part of President Eisenhower’s Cabinet. He agreed to take the job, but something came up, and he didn’t do it. But he is a wonderful man. I also wanted Kent Conrad on that trip. And I don’t know which one knows more about the inner workings of the administration. Gregg or Conrad, but they are both good, and I wanted them to go together, and they did.

Senator Gregg and Conrad spent hours and hours in that airplane working on something about the deficit. They both believed it needed some really difficult, hard work, and they decided to do what the base-closing commission did; that is, prepare legislation and a commission that would send it back to us. There would be no amendments, no filibuster, just an up-or-down vote. That was their legislation. They wrote that and brought it to the floor.

As the floor moved to proceed to it, and so I did move to proceed to it, thinking it should be a slam dunk. But seven Republicans, who had cosponsored the legislation, voted against it. I couldn’t bring it to the floor. That is the kind of thing that Bowles-Simpson came from, as a result of the Republicans walking away from their own efforts to reduce the deficit.

Now, Bowles-Simpson was very difficult. There were 18 members, and they had to get 14 of the 18 to approve it. That didn’t work. They couldn’t get that many people to vote for it.

In the meantime, President Obama was trying to hammer out an agreement with the lead spokesmen of the Republicans, the Speaker of the House, John Boehner. John Boehner said: I didn’t get elected to do small things, I want to do big things. And President Obama, to his detriment with his base, said: I will do something to change Social Security and Medicare. And all these things he agreed to do publicly. But the Republicans—John Boehner—could never again go against Grover Norquist. The Republicans shake in their boots. They will not do anything, even though the American people by a more than 70 percent majority say people making more than $1 million a year should contribute to what the problems are in this country. So that fell apart.

Then we had the Gang of 6 Senators—three Republicans, three Democrats—who had been on the Bowles-Simpson Commission, who said we should do something about this. They were in the press, they had press conferences, and they were going down the road and doing all kinds of great things. While that was going on, there was a decision made, and a law was passed to create a supercommittee, to which I appointed Senator Patty Murray of Washington to. No one in the Democrat or Republican, has more respect than Patty Murray. She worked so hard with the other 11 Members of Congress to come up with something.

A few days before they were to arrive at a decision—and the Gang of 6 members are out here doing all this stuff all the time—I get a letter signed by virtually every Republican Senator saying: We are not going to raise revenue for anything. The supercommittee didn’t work there. And this is where the Gang of 6 is done. So we passed this last August to fund government for 2 years and to say if we don’t arrive at another $1.2 trillion in deficit reduction during this year, it automatically kicks in at the end of this year or the beginning of next year.

So that is where we are, and the Republicans in the House are trying to change that. So that is what this little history lesson has been all about. We don’t like to sequester, which we didn’t have to do it. It was a hard pill to swallow, but it was the right thing to do. If we are ever going to reduce the staggering deficit, we are going to have to make some hard decisions. So that is what is all about. But that is the point. It is hard to do; therefore, we have to do it, to sequester—which, in effect, would take almost $500 billion from domestic programs and almost $500 billion from defense programs. They were designed to be tough enough to force two sides to reach a balanced deal. It hasn’t happened yet.

As I said earlier with General Eisenhower’s statement, I didn’t make that
up. That is what he said. My complaint about the Republicans being so unreasonable about everything is something where I am not a lone wolf crying in the wilderness. We have two long-time nonpartisan watchers of Congress, one from the American Enterprise Institute, a conservative think tank, another from Brookings Institute that wrote an article saying: It is the Republicans. Can’t you see what they are doing? Here is one thing they said: We have been studying Washington politics in Congress for more than 40 years, and never have we seen them this dysfunctional. In our past writings, we have criticized both parties when we believed it was warranted. Today, however, we have no choice but to acknowledge that the core of the problem lies with the Republican party.

They further said: The GOP has become an insurgent outlier in America, but we believe in a radically extreme; of scornful compromise; unmoved by conventional understanding of facts, evidence and science; and dismissive of the legitimate opposition. What brave men to do that, to write these comments—which are true. I have been saying that I don’t want to fight about everything. Republicans insist on balancing the budget on the backs of the middle class, seniors, students, single mothers, and those who could least afford it. That is what they are doing over there today. It is their refusal to compromise that leaves us facing the threat of sequester, and it is difficult but it is balanced. Going back to the August budget agreement now in order to protect wealthy special interests is no solution. Neither is refighting the battles of last year. Democrats agree we must reduce our deficits and make hard choices, but we believe in a balanced approach—one, for example, that shares the pain as well as the responsibility.

Is the sequester the best way to achieve that balance? No. But Republicans refuse to consider a more reasonable approach for example, that asks every American to pay his fair share while making difficult choices to reduce spending. Democrats will not agree to a one-sided solution that lets the superwealthy off the hook while forcing the middle class and those in greatest need to bear all the hardship. Democrats believe we can protect Americans’ access to health care, create jobs while investing in the future, and protect the poor and elderly. But we can. It will take work and compromise, and so far Republicans have been unwilling to make a serious effort to achieve that result.

Republicans have rejected our balanced approach. Their one-sided solution to across-the-board cuts would take away from the many to give to the few. Here is what the plan would do—not all of it, but here is what their plan would do. Remember, they are taking it up in the House today. It would cut Medicaid benefits, increasing the number of uninsured children, parents, seniors—and that is in addition to people with disabilities—by hundreds of thousands, just eliminate them. It would also put seniors in nursing homes at risk. Some of them would have to move out of the nursing home, I guess.

It would punish Americans who receive tax credits to purchase health insurance when their financial circumstances change, causing 350,000 Americans to have no coverage. This would add to the tens of millions who already exist that way. It would roll back Wall Street reforms, protecting big banks at the expense of consumers. Their legislation would once again target middle-class workers, food inspectors, air traffic controllers, Border Patrol agents, drug enforcers, and FBI agents. They would have to be laid off.

It would cut funding for preventive health care programs that fight chronic illnesses—such as heart disease, cancer, strokes, and diabetes—that cause 70 percent of the deaths in America. Preventive care would be reined in. It would slash block grant funding in the United States to help 23 million children, seniors, and disabled Americans live independently and out of poverty.

No segment of the population is immune from this painful, absurd Republican plan—except maybe millionaires, billionaires, and wealthy corporations. The Republican proposal cuts Meals on Wheels and reduces food assistance for almost 2 million needy people. One of the Republican candidates running for President said President Obama is the Food Stamp President.

There are more poor people. Our economy has been in bad shape. People are struggling. The millionaires are doing fine. And in addition to what I have already mentioned, this thing that they are taking up in the House today cuts off almost 300,000 children from free school lunches at a time when one in five children lives in poverty.

The U.S. Conference of Catholic Bishops said the Republican plan fails “a basic moral test.” This budget sets very clear priorities. The problem is what they are taking up in the House sets up the wrong priorities.

President Franklin Roosevelt said: Human kindness has never weakened the stamina or softened the fiber of a free people. A nation does not have to be cruel to be tough.

So Republicans would do well to remember our Nation is judged not only by the strength of its military, but also by the strength of its values, says General Eisenhower and President Roosevel.

RESERVATION OF LEADER TIME

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

RECOGNITION OF THE MINORITY LEADER

The ACTING PRESIDENT pro tempore. The Republican leader is recognized.
So if there is a problem to solve, a challenge to tackle, the solution is always the same: more government, more government. And the results are always the same: a disappointment to be blamed on somebody—anybody—else.

I think the President summed it up pretty well during a speech he gave in New York just yesterday. This is what he said:

The only way we can accelerate job creation is through Congress? Not the private sector? Hasn’t the experience of the last 3 1/2 years taught this President anything at all about the limitations of government action? Madam President, 3 1/2 years and $5 trillion later, there are nearly a half million fewer jobs in the country than the day the President took office. That is not what most people would describe as a good return on investment. Yet that is all we get—the same government-driven solutions he has been pushing for 3 1/2 years.

Nearly 13 million Americans who are actively looking for jobs can’t find one. Millions more have given up looking for a job altogether as the worker participation rate is the lowest it has been in 30 years.

More than half of all college graduates—the best prepared to enter the workforce—can’t find a good job. More than half of college graduates can’t find a job. And this President is proposing the same old ideas that have failed before. Some government action failed? Then just do it again on a larger scale. That is the approach this President has taken. It is his approach still. It is the clearest sign he is literally out of ideas.

But he is unwilling to try something different. He is unwilling to confront the fact that a government that might have worked well a half century ago is outdated and in desperate need of reform. So he is resorting to the same old political gimmicks and games that he criticizes others for using.

Earlier this year the President mocked those who, every time gas prices go up, dust off their three-point plans to lower them, especially in an election year. That was the President. Yet yesterday he was proposing a five-point plan of his own to revive the economy, a to-do list in effect for Congress.

The cynicism is literally breathtaking. Here is a President who, in the morning, worked hand-in-hand with Senate Democrats to ensure that legislation to freeze interest rates on student loans pass, and in the afternoon gave a recycled speech in which he pleaded for an end to the very gridlock he was orchestrating. There is perhaps no better illustration of how far this President has come from the heady days of his last campaign.

Look: Americans voted this President into office on a promise of bipartisan action. Orchestrating political show votes on student loans and giving Congress a post-it note checklist of legislative items to pass before the election is not what the American people expected.

They expected us to work together and they see.

The President knows as well as I do that the solution to our economic problems lies not in a Post-It-Note congressional agenda dictated from a lectern in New York, but through a sound limited growth plan, which includes comprehensive tax reform, a true all-of-the-above energy policy and the elimination of burdensome regulations that are hurting business and hindering job creation.

Republicans have been calling for these policies for years and the President at one time or another has claimed to support them. These are proposals where Republicans and Democrats can find common ground. In other words, a plan designed not to control Washington but to liberate it. We just need the President to show some courage and leadership.

We will get this economy going not by handing out more special favors and credits to industrialized groups, but by simplifying the code, clearing out the loopholes, and lowering rates for everybody.

In less than 8 months, Americans will be hit with the biggest tax increase in history—unless we act.

The President knows as well as I do how devastating this would be for the American people—for everyone.

People who are already struggling will have to do with even less. Businesses that are already struggling just to keep afloat will see Washington getting an even bigger take than it already is.

This looming tax hike will be absolutely devastating. Yet here we are less than 8 months away, and the President is busy orchestrating failure in the Senate and waving around some 5-point plan cooked up by some high-paid political consultant in Chicago.

Now, I am not in the business of giving the President campaign advice. But I am in the business of trying to get the best possible outcome for the American people. And here is an issue—tax reform—where I know the two parties have a shot at working together, to help every American, and restore the American Dream for all those who’ve started to doubt whether it will even be there in a few years.

So I would respectfully ask the President to ignore his campaign consultants for once and do what’s right for the nation as a whole. Republicans in Congress are ready to work with you, Mr. President, on the kind of comprehensive reforms that you yourself have called for in the past.

Working together might not help your campaign, but it would help the country. So my message to you is this: We are ready when you are.

I yield the floor.

The ACTING PRESIDENT pro tempore. The Senator from Kansas, Mr. MORAN. I ask consent to address the Senate as in morning hour.

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

Mr. MORAN. Madam President, once again, it is that time of year when many proud parents will watch their children walk across the graduation stage and receive their diplomas. Two years ago, I watched my oldest daughter saunter across her college graduation stage and it was one of those moments for me in which I realized our country faces tremendous, enormous challenges, and if we fail to act our children’s future will be at significant risk.

I believe all Members of Congress, in fact every American, has the responsibility to act on what has been passed on to us. At that graduation event, I renewed my commitment to do my part to turn our country around.

My fear is we are not doing enough, that we as Americans and especially we as Members of this Congress are not doing enough to offer our children a bright future. In the last 2 weeks, I have read headlines that caught my attention. They would catch every American’s attention.

First, the amount of student loan debt has surpassed $1 trillion for the first time in American history. Americans now have more combined student loan debt than combined credit card debt.

Second, the AP recently reported that one out of every two college graduates this year will be unemployed or underemployed. Unfortunately, it is not just college graduates who are having trouble finding a job and paying their bills. The Department of Labor reported just last week that more than 12 million Americans are still looking for work and our economy only added 39,000 jobs in April, the lowest number of jobs added in 5 months. This makes 39 straight months of unemployment rate over 8 percent.

Our first priority in Congress must be to strengthen our economy so more jobs can be created, more Americans can get back to work, and more graduates can pursue their dreams. Data tells us that for close to three decades, companies less than 5 years old created all the net new jobs in America, averaging 3 million jobs each year. While startups provide the gasoline to American history, new businesses are hiring fewer employees than in the past and make up a smaller share of all companies than in previous years.

Troubling data out last week from the Census Bureau shows that the startup rate fell to the lowest point on record for new firm births in 2010. While startup companies are so important to job creation, their numbers are now falling too. Given the disproportionate impact new businesses have on
the economy, it makes sense to craft targeted policies that help entrepreneurs start businesses and that make it easier for these young businesses to grow.

A former NASA engineer now in the technology field gave me a useful analogy. He described the process of designing a rocket or an airplane, in which there are two forces at play that determine whether the rocket will launch or plane will fly: thrust and drag. So much of what we want to do around here is to focus on the thrust—spending money and creating programs, when what we ought to be doing is focusing on reducing the drag.

Rather than spend money on government programs, Congress must and should enact policies that create an environment in which many entrepreneurs and their young companies have a better shot at success, and in the process of pursuing success they put people to work—reduce the drag so the process of pursuing success they have a better shot at success, and in the process of growing entrepreneurs and their young companies should enact policies that create an environment for these startups companies can be successful. I have introduced the Startup Act with Senator WARNER. The Startup Act reforms the Federal regulatory process so that the cost of complying does not outweigh the benefits of regulations. The Startup Act alters the Tax Code to create incentives that will facilitate the financing and growth of new businesses. The Startup Act accelerates the commercialization of university research so more good ideas move out of the laboratory and into the marketplace, where they can create jobs for Americans.

Perhaps most important, the Startup Act helps America win the global battle for talent. On a recent trip to Silicon Valley, I met with startups, entrepreneurs, and some of the leading technology companies in the world—and they were just starting businesses a few years ago. While I heard many encouraging stories of success, their No. 1 concern was attracting and retaining highly skilled employees. One business I met said they had plans to hire dozens—I think the number was 68—foreign-born but U.S.-educated individuals and to hire them here in the United States, but they were unable to get the visas necessary to have these workers work in the United States. Rather than lose that talent, the company hired them and placed them at various international offices in countries with immigration policies that encouraged the retention and attraction of highly skilled foreign-born workers.

Another company told me that with the talent coming overseas, it will soon be easier for them to open offices and plants in other countries rather than have the work done in the United States.

The last thing we want is for American businesses to have a better business climate in places outside the United States. It is not just the loss of those dozens of jobs to some other country; many of those people in those businesses will become entrepreneurs themselves and create their own businesses, hiring even more people down the road. So we lose this talent, this skill on two occasions—first, the direct jobs today and ultimately the jobs these entrepreneurs will create in the future.

The future of our economic competitiveness depends upon America winning the global battle for talent. Foreign-born Americans have a strong record of creating businesses and employing Americans. Data shows us that 53 percent of immigrant founders of U.S.-based technology and engineering companies completed their highest degree at an American university, and rather than send these talented, highly educated individuals who have been educated in the United States back home once they graduate, we should do much more to allow them to remain in the United States, where their skills, their education, their work, as well as their new ideas, can fuel U.S. economic growth.

We are not talking about illegal immigration; we are talking about legal immigration. It makes no sense to educate students and have them work in their countries, to create jobs, to make sure our own U.S.-born and educated individuals who have been educated in the United States back home once they graduate, we should do much more to allow them to remain in the United States, where their skills, their education, their work, as well as their new ideas, can fuel U.S. economic growth.

The Startup Act will help America win this global battle for talent. The Startup Act creates entrepreneur visas for foreign entrepreneurs who register a business and employ Americans in the United States. By encouraging more entrepreneurs to stay in America, they will not only start more businesses but they will employ more Americans and strengthen our economy. The Startup Act also creates a new STEM visa for foreign students who graduate from an accredited U.S. university with a master’s or Ph.D. in science, technology, engineering or mathematics. Our own Department of Commerce projects that STEM jobs will grow by 17 percent in the years ahead. We have to retain more highly skilled and highly talented and educated individuals, the ones we educate in America, for us to remain competitive in a global economy. We are going to make sure our own U.S.-born and educated citizens have those job opportunities as well. We do not want to risk the loss of the next Mark Zuckerberg or the next Amazon. Doing so will fuel America’s economic growth and result in the creation of jobs here in America by retaining these folks.

Despite the overwhelming evidence, Congress still fails to address this issue. Congress’s conventional wisdom says not much will get done. My guess is 80 percent of my colleagues in Congress would agree with the proposals contained in this legislation. Particularly, 80 percent I think would agree with the notion of new visas for foreign entrepreneurs with STEM visas. But we are told that because we cannot do everything, we cannot do anything. That excuse is no longer a good one and should not be accepted. We cannot continue to operate under the sentence that always says we can’t do anything in an election year. Our country desperately needs us to act now, not later. In fact, in the short time I have been a Member of the Senate, in the last 14 months, other countries have changed their laws to encourage these types of individuals to work in their countries, to create jobs, to support entrepreneurship, innovation, and job creation in those countries. In just the last 14 months, other countries have advanced further than we have while we have waited because we cannot do anything because it is an election year. America cannot turn a blind eye to those developments or to use the upcoming elections as an excuse to do nothing, yet again, on an issue that is so critical to our future. Congress should work to make it easier for companies to grow because in a free market, when people have a good idea and work hard, they not only enhance their own with success but the lives of so many others through the products and jobs they create.

We do not take the steps now to win the global battle for talent, our country’s future economic growth will be limited. That means college graduates and young people will have fewer opportunities, and higher rates of unemployment may become the norm instead of the exception. Allowing talented, foreign-born U.S. students and entrepreneurs to remain in the United States will create jobs for more Americans.

I will continue to work with my colleagues in the Senate to implement policies such as those contained in the Startup Act so more entrepreneurs can turn their ideas into reality, that they will have the chance for success. We can’t wait for the next generation of Americans to take up the opportunity to pursue their dreams—that those who this month walk across the graduation stages in high schools and colleges and universities, technical colleges and community colleges across our country, will have the opportunity to pursue what we all know as the American Dream.

I yield the floor.

The ACTING PRESIDENT pro tempore. The Senator from Louisiana.

Mr. VITTER. Madam President, I ask unanimous consent to speak as in morning business.

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

NATIONAL FLOOD INSURANCE PROGRAM

Mr. VITTER. Madam President, I come to the floor again to urge all of us to join together on a bipartisan basis and to reauthorize the national flood insurance program, to do it now, to do it quickly because time is running out. On May 11th, the entire National Flood Insurance Program will expire. When the clock strikes midnight that day, it will be gone unless
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we act, and act we must. This is an important program for the country.

In my neck of the woods, in south Louisiana in particular, almost every real estate closing is dependent on this program because those properties need flood insurance for them to be closed.

What is so frustrating about this is there are not big disagreements about how to get this done. This is not an overly partisan issue; we are not bitterly divided. This is merely an issue of getting floor time in the Senate.

The House acted last year in a bipartisan way, and the Senate committee on which I serve has acted. I have worked very closely with my subcommittee chair Jon Tester, and we have acted in a bipartisan way. We have put together a good 5-year reauthorization bill, but we need to move this on and off the Senate floor to get this done before the end of the month.

Again, I urge the distinguished majority leader, Senator Reid, to give this important matter floor time. We all come here and talk about needing to improve the economy. We all come to the floor and talk about jobs. Well, it is absolutely necessary in all of those efforts and all of those issues in mind, to extend the National Flood Insurance Program. And let’s not just put a bandaid on it again and let it limp along with a very short-term extension. Let’s do the full 5-year reauthorization, which we can do, which is well in sight.

Groups around the country, particularly those working in the real estate industry and in this part of the economy, strongly support this effort.

Maritime and District of Columbia, I ask unanimous consent to have printed in the RECORD several items, including a letter to Senator Reid and Senator McConnell signed by dozens of associations all along the political spectrum, urging this action.

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

HON. HARRY REID,
U.S. Senate, Washington, DC.

HON. MITCH MCCONNELL,
U.S. Senate, Washington, DC.

DEAR MAJORITY LEADER REID AND MINORITY LEADER MCCONNELL:

On behalf of the undersigned associations, we respectfully urge the Senate to move quickly to reauthorize the National Flood Insurance Program (NFIP) and avoid a costly lapse in the program on May 31, 2012.

As you know, more than 5.6 million policyholders in 21,000 communities nationwide depend on the NFIP as their main source of protection against property losses that result from flood insurance losses. Many residential and commercial real estate transactions across the country will come to a stop, as federally backed mortgage loans cannot legally be secured without this critical protection. Failing to reauthorize the NFIP could jeopardize nearly 40,000 mortgage closings per month. The House took a positive step to extend the full NFIP by including it in the Federal Flood Insurance Reform Act of 2011, which was passed with bipartisan support.

In 2011, Hurricanes Irene and Lee caused significant flooding from North Carolina to Maine. Those storms followed more than one hundred natural catastrophe events and significant spring 2011 flooding in several states across the country. We are about to enter hurricane season again, and America cannot afford a lapse of the program. Failure to reauthorize the NFIP would further stress already tight credit markets, potentially cost the government billions of dollars in uncompensated relief efforts, and put millions of consumers at risk.

In July 2011, the House of Representatives passed a bipartisan measure, H.R. 1309, by a vote of 406-22. On September 9, 2011, the Senate Banking Committee unanimously approved its version of the 5-year bill. Both proposals include a long-term reauthorization and important reforms that will optimize the current program, make needed improvements to the floodplain mapping and appeals processes, and other key reforms that will encourage program participation and put the NFIP back on the path to sound financial footing.

We urge the full Senate to act now to reauthorize this program and avoid the costly consequences that would result in a lapse from failure to act.

Sincerely,

American Bankers Association; American Bankers Association; American Insurance Association; American Land Title Association; American Credit Services; American Crop Insurance Association; Chamber Southwest LA; Consumer Bankers Association; Council of Insurers Agents and Brokers; Credit Union National Association; Crop Insurance Roundtable; Houma-Terrebonne Chamber of Commerce; Independent Community Bankers of America; International Council of Shopping Centers; Independent Insurance Agents and Brokers of America; Mortgage Bankers Association; NAIIOP, Commercial Real Estate Development Association; National Association of Insurers; National Association of Home Builders; National Association of Mutual Insurance Companies; National Apartment Association; National Association of Mutual Insurers; National Association of Realtors; National Association of State Credit Union Supervisors; National Association of Surety Bond Producers; National Leased Housing Association; National Leased Housing Association; National Multi-Housing Council; National Mixed Concrete Association; Property Casualty Insurers Association of America; Reinsurance Association of America; Risk and Insurance Management Society, Inc. (RIMS).

Mr. VITTER. Madame President, I ask unanimous consent to have printed in the RECORD another letter along the same lines from Senator Tester, the subcommittee chair, and myself, the ranking member on the subcommittee, again strongly supporting this effort. Let’s do it. Let’s do it now. This is the SmarterSafer coalition, and this letter is dated May 9.

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

AMERICANS FOR SMART NATURAL CATASTROPHIC POLICY

HON. JON TESTER,
Chair, Economic Policy Subcommittee, Senate Banking Committee, Washington DC.

HON. DAVID VITTER,
Ranking Member, Economic Policy Subcommittee, Senate Banking Committee, Washington DC.

DEAR SENATORS TESTER AND VITTER:

As a diverse coalition of taxpayer advocates, environmental organizations, insurance industry interests, housing groups and others, we thank you for your efforts to reauthorize and reform the National Flood Insurance Program (NFIP). The hearing you are holding today is a positive step to getting the full Senate to consider and pass the Banking Committee-passed bill to reauthorize NFIP, which is well known as the SmarterSafer reform. The program is currently almost $18 billion in debt to federal taxpayers and that amount is likely to increase if reforms to the program are not implemented. We urge you to support this significant reform, such that the NFIP will not be sustainable and American taxpayers will continue to be asked to bailout the program time and time again.

The Senate Banking Committee has already unanimously reported out a bill that makes a number of needed reforms to put the flood insurance program on sound financial footing and the House passed NFIP reform with over 400 votes. The bill will pass out of committee and the House will vote on it next week.

We look forward to working with you on this issue and thank you for all of your efforts to pass this critical legislation.

Sincerely,

SMARTER SAFER

Environmental Organizations: American Rivers, Ceres, Clean Air-Cool Planet, Defenders of Wildlife, Environmental Defense Fund, Environmental Federation, Republicans for Environmental Protection, Sierra Club, Taxpayers Protection Alliance, American Conservation Union, American Consumer Institute, Competitive Enterprise Institute, Taxpayers for Common Sense, Institute for Rights and Liberty. Insurance: Allianz of America, Association of Bermuda Insurers and Reinsurers, Chubb, Liberty Mutual Group, National Association of Mutual Insurance Companies, Reinsurance Association of America, Swiss Re, USA.

Housing: National Low Income Housing Coalition, National Leased Housing Association.

Mr. VITTER. Madame President, I ask unanimous consent to also have printed in the RECORD an op-ed in Roll Call written by two representatives of this coalition which underscores the absolute importance and the critical nature of doing this full, longer term reauthorization.

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

FROM ROLL CALL, MAY 8, 2012

SAMPSOON & VEISSI: END FLOOD INSURANCE PROGRAM UNCERTAINTY

(By David Sampson and Moe Veissi)

When Gerald Ford took the Presidential Office after Watergate resig-
an election year, there is no way we can go forward except together and no way anybody can win except by serving the people’s urgent needs.

Senator Thune: A lack of flood insurance coverage creates uncertainty in the housing market and leaves homeowners dangerously vulnerable to devastating floods, which are not just a coastal issue. Flood disasters have been declared in every state and over the past century have claimed more lives and property than any other natural disaster.

In 2010, the NFIP was allowed to lapse for 53 days, with thousands of insurance policies expiring. Homebuyers were required to purchase flood insurance to obtain a mortgage. Long-term reauthorization of the NFIP would help prevent future lapses and stabilize transactions in areas where homeowners are required to purchase flood insurance to obtain a mortgage. Long-term reauthorization of the NFIP would also provide flood risk protection for more than 5.6 million home and business owners in 21,000 communities across the country. Furthermore, the housing market relies on a strong and stable flood insurance program.

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any system unilaterally imposed by the EU. The bill also requires the Secretary of Transportation, the Administrator of the FAA, and other senior U.S. officials to use their authority to conduct international negotiations and take their actions necessary to ensure that U.S. airlines, manufacturers, and consumers are not harmed from the action of the European Union. The House of Representatives passed a similar bill by a voice vote on October 24, 2011. The U.S. commercial aviation community, including airlines and manufacturers, are all supportive of this bipartisan bill.

Next month, I am looking forward to the Commerce Committee hearing that is scheduled to take a closer look at this important issue and at my legislation.

Doing nothing is not an option. The unilateral imposition of the EU emissions trading scheme is a violation of international law and is hurting U.S. airlines, manufacturers, and consumers. We need to find a way to move forward, but to move forward, we need to keep the interest rate at 3.4 percent. The Republicans want to raise it to 6.8 percent—double—on July 1?

We need to act now. We need to send a clear and unequivocal message and pass a bill that supports and strengthens this scheme and protects the U.S. aviation industry and American sovereignty. I hope we will act on this legislation and make sure that this issue, once and for all, is put to rest and that the European Union is not able to assess a tax on U.S. airlines operating in American airspace.

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

The ACTING PRESIDENT pro tempore, the clerk will call the roll.

The legislative clerk proceeded to call the roll.

The ACTING PRESIDENT pro tempore. The Senator from Iowa.

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

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

Mr. HARKIN. Madam President, here we are again in the Senate on yet another day when families and students across this country are wondering if we are going to do our duty. Are we actually going to move legislation that will keep the interest rate at 3.4 percent on subsidized student loans or are we going to let it go to 6.8 percent, double—on July 1?

We have legislation and we brought it to the floor. Yet yesterday my Republican colleagues voted to not even proceed to it. I think the people of America are saying that this shouldn't happen. We should be able to work these things out. We should move legislation, not obstruct it.

Everyone now agrees we should keep the interest rate at 3.4 percent. The Republicans say they want to keep it at 3.4 percent and we say we do. The Republicans were initially opposed to this, but they have gotten onboard. That is fine. I have been here on the floor listening to my colleagues talk about this since Monday. Everyone agrees we have to keep it at 3.4 percent and not let it go up, so it ought to be a bipartisan issue. We ought to be able to move together and move on to other matters. There are other issues confronting us in the Senate. Yet here we are on the floor again today discussing the student loan interest rate.

As I said, we had the vote yesterday to move to the floor, but a handful of Republican colleagues blocked us from doing that. They agree we should keep the interest rate at 3.4 percent, but not on how to pay for it. Well, OK, fine; that is a legitimate point of debate and discussion and votes. So why don't we move the bill forward, bring it to the floor, and let's have a debate and discussion on how we pay for it. If they want to offer an amendment, they can offer an amendment and we will vote on it. It seems to me—at least I think—that once we block or maybe privileges but responsibilities, of the majority party in the Senate, whichever party it might be, is to initiate legislation and bring it to the floor. The privilege and responsibility of the majority party to block everything, go around it, try to make it better as they may see fit. I don't think it should be a privilege and responsibility of the minority party to do that. That is not the way we do business.

I hope we have another cloture vote. Let's keep having these cloture votes and maybe Republicans then will say, Let's keep having these cloture votes and not let it go up, so it ought to be kept at 3.4 percent. Let's move the bill forward, bring it to the floor, and let's have a debate and discussion on how we pay for it. If they want to offer an amendment, they can offer an amendment and we will vote on it. It seems to me—at least I think—that once we block or maybe privileges but responsibilities, of the majority party in the Senate, whichever party it might be, is to initiate legislation and bring it to the floor. The privilege and responsibility of the majority party to block everything, go around it, try to make it better as they may see fit. I don't think it should be a privilege and responsibility of the minority party to do that. That is not the way we do business.

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I hope we have another cloture vote. Let's keep having these cloture votes and maybe Republicans then will say, OK, let's move it forward and let's debate it and move on. So I hope that is what the Republicans are thinking about and not just stopping the process in its tracks. It is interesting to note that House and Senate Republicans were silent on this issue until students from around the country became aware of the impending increase and made their voices heard. Democrats were already hard at work on the solution. I would remind my colleagues that earlier this year, in the budget debate in the House, an amendment was offered by Democrats to cut $5 billion out of the military that would cut the number of disease detectives that the Centers for Disease Control and Prevention can train and deploy. These disease detectives are our first line of defense against infectious diseases. Eliminating the fund, as the Republicans want to do, would reduce investment in public health laboratory capacity at the State and local levels, thereby reducing the speed with which we can detect and respond to outbreaks and, yes, maybe even terrorist events. It would cut the number of disease detectives that the Centers for Disease Control and Prevention can train and deploy. These disease detectives are our first line of defense against infectious diseases.

Eliminating this fund would result in layoffs, as I said, of public health officials in every State and community who are working on chronic disease prevention, immunization, health-care-associated infections, and other health problems.

An elimination of the prevention fund—again, I use the word "elimination"—of the Republican proposal would not just take some money from the prevention fund, it would kill the prevention fund. It would take every single penny out of it.

My friends on the Republican side say: Well, President Obama in his budget took money out of the prevention fund. In fact, Democrats joined with Republicans earlier this year in taking $5 billion out of the life of this fund to help pay for extending the unemployment insurance program for the Republicans' agenda as it is extending the payroll tax cut. They use that example to say, Well, we can kill the whole thing. I must be very frank.
I was not in favor of that $5 billion cut, but be that as it may, as I used the analogy yesterday, it is one thing to take a couple of pints of blood and another to take all the blood. A person can live if a couple of pints of blood are taken; they can live and get healthy. That is what is happening to the prevention fund. The Prevention and Public Health Fund is alive and well and doing its job even though some money is taken out of it. What the Republicans want to do is take all the blood out of all these programs.

President Obama has said he will veto this bill if there are any cuts in the Prevention and Public Health Fund. So there has been a line drawn. We took some money out of it before, but no more. That is it; no more money is coming out of this prevention fund because of the good it is doing in this country.

An elimination of this fund, which the Republicans want to do, would stop in many cases our country’s efforts to address the risk factors for heart disease, diabetes, obesity, and cancer—the leading causes of death and health care costs. Yesterday in this Chamber I read from a new Centers for Disease Control and Prevention report that finds that if we could prevent the obesity rate from increasing past its current 34-percent rate right now, we could save nearly $550 billion in the next 20 years.

In 1980, the obesity rate was right at about 15 percent in this country. Today, as I said, it is 34 percent. If it increases at the rate they expect, looking at all indicators now, 42 percent of all Americans will be obese by 2030 and one out of every four of them will be severely obese. That means a huge increase in adult onset diabetes and all the accompanying health care risks and costs, including heart disease and stroke, that accompany obesity.

We need to address it. We have evidence-based programs that we know work in keeping the obesity rate down. That is what the prevention fund does. The Republicans want to kill it. They say no, get rid of it.

Cuts to our chronic disease prevention programs would mean 120 million Americans—one in every 3 citizens—would lose access to preventive services. It would mean $103 million no longer available to States and counties and their jurisdictions to provide these services. Over 20 million Americans in rural areas in New York and in Iowa and all across this country would no longer have access to preventive services and programs.

The American people get it. Our citizens, whom we represent, get it. They understand. A poll was taken which said that voters overwhelmingly support more investment in prevention. This is from a 2009 public opinion poll: 71 percent of Americans polled said yes, do more, invest more in prevention. Our fellow citizens are crying out to us for help. They want help. They want to know what to do. How do they change?

What can we do in our communities, our schools, our workplaces, our clinics, our community health centers? What can we do so that we don’t get sick, so we don’t get obese or diabetes, so we don’t have heart disease? Most people don’t know what to do. They need information. They need support.

That is what this prevention fund does. We know it works. We know. We have evidence-based programs out there that work. The Centers for Disease Control and Prevention is doing an outstanding job across this country in these programs: from community programs, to public health infrastructure, to clinical preventive services, research, tobacco prevention programs, detection and prevention of infectious diseases, and training and preparing the public health workforce—all of this.

That is why prevention is not just something people go into a doctor’s office to get a prescription for and people get a pill for. Prevention encompasses a lot of different things—everything from newborn screening, immunizations for children, school-based programs, and better food and nutrition in our school meals for kids.

Communities change the way they operate and do things—more walking paths, more bike paths. The other day there was something said about Illinois had used some of this for signage and walking paths for kids. I pointed out, yes, they did. What happened is the number of kids walking to school increased, and that cut down on the number of buses they had to use. It saved the school some money, and the kids got healthier.

I have often used the example that when I first moved to Washington in 1979, when I was in the House, my wife and I purchased a home in Virginia. We still live there. One of the reasons we bought it was because we were about a mile away from a school, a high school. We thought: That is great. The kids could just walk to school. Little did I know there were no walking paths to the school. It was a busy street. There was a sidewalk for a little ways, and then there was not one. The kids could not walk. So they had to take a bus just to go 1 mile.

So, again, communities putting in sidewalks, safe places for kids to do that, that is healthy living. I have seen instances in my own State where communities have put in walking paths for the elderly, for senior citizens, so they do not have a lot of steps and things to go up and down. You would be amazed how many people use that and stay healthy.

Supporting systems in our workplaces, making our workplaces more healthy, helping businesses understand what they can do to provide a healthier work force for people—examples abound all over this country.

I say to the Acting President pro tempore, I am sure I do not know all the instances in New York State, but I will bet you communities there have gotten together and thought about how to make life a little bit more healthy, how to support a more healthy infrastructure for their people.

Some communities are coming up with ways to reduce obesity. Some Republicans want to take all the money out of it. What the Republicans want to do, would stop the prevention fund. The Prevention and Public Health Fund is for—to help them, to encourage them, to give them the kind of support they need to provide that healthy living.

I have said many times, it is interesting in America it is easy to be unhealthy and hard to be healthy. One would think it should be the other way around. It should be easy to be healthy and harder to be unhealthy. It is just the other way around.

So what we are trying to do with some part of the prevention fund—not all of it; part of it—is to make it easier to be healthy, to make that an easier option for people.

So if we both agree—Republicans and Democrats—on the fact that we need to know that we need more investment in prevention. We do not want to get sick. We do not want to get obese. We want to quit smoking. We want our kids to be healthy. We want them to have healthier food, better exercise. Republicans are saying: Well, we are just not going to do that. We do not want more investment in prevention. We do not want to get sick. We do not want to get obese. We want to quit smoking. We want our kids to be healthy. We want them to have healthier food, better exercise. Republicans are saying: Well, we are just not going to do that. I guess we will pay more for it in chronic illnesses and diseases down the line.

Well, our offset is one that I think is legitimate and sound, closing a loophole in the Tax Code. That means more money would go into the Social Security and Medicare trust funds, and it would help us keep the interest rate at 3.4 percent.

Education has always, and I hope will always, remain a bipartisan issue here. I urge my Republican colleagues to come to the table with a serious offset—a serious offset. If they do not like what we have proposed, please come with something that is serious. Eliminating the prevention fund is a no-starter. As the President said, he would veto it. So why push it?

I think this is an opportunity for all of us to come together and show the American people this body is not broken; we can work with each other and get things done for the good of our people. Again, I encourage my Republican colleagues to allow us to move forward on the bill. Do not keep blocking it. If they want to offer a different offset, fine. Not this one, not the elimination of the prevention fund because that is not serious. That is not going anywhere. If they have some other ideas, I am open; but so far we have seen nothing from my Republican colleagues other than stopping the bill—stopping it, stopping it, stopping it.
So I hope they will come to the table, and I hope we can move this bill forward.

Madam President, I yield the floor. The ACTING PRESIDENT pro tempore, The Senator from Michigan.

Mr. WEBB. Madam President, first, I commend my friend from Iowa for being such a phenomenal champion of preventive health care. He has been fighting for this as long as he has been in the Senate, and he has had some great victories. He has had some setbacks but mainly victories. It is because of his energy and effort that we are where we are today in terms of getting this money for preventive health care, and his continued effort to fight for it and to preserve this fund is notable. It is going to succeed. If it does, and when it does, it will be mainly because of our friend from Iowa.

Our Republican colleagues could have allowed us yesterday to begin debate to fix this growing increase in student loan interest rates. They could have helped us avoid adding to the already crushing weight of student debt that families in our country face. They could have joined us in taking a step toward letting parents do what they desperately want to do, which is to help their kids to a better future.

American families are waiting for us to act. On July 1 the interest rate on student loans is going to increase from 3.4 percent to 6.8 percent. It is going to double unless we act. For every year we fail to act, it will cost the typical college student and their family $1,000. That is $1,000 that most families do not have to spare. More than 7 million students and their families nationwide would be affected. So the need to act is urgent.

Instead, in what has come to be a damaging ritual in the Senate, Republicans have filibustered a motion to proceed to important legislation. Republicans have voted against even allowing the Senate to begin to debate a bill. Why not debate it? Why not offer relevant amendments? Why not address this important issue?

No. By their filibuster, our Republican colleagues have refused to let the Senate even start this process. Republicans say they too want to prevent this increase in student loan interest rates. They differ with us, they say, on how to pay for it. Republicans say the rates. They differ with us, they say, on this increase in student loan interest rates. Why not address this important issue? Why not debate it? Why not offer relevant amendments? Why not address this important issue?

So what the Republicans say is make sense and is fundamentally fair. Hundreds of thousands of students in my State of Michigan depend on student loans to help afford college. They and their families know college is not going to get cheaper. They do not need a doubled interest rate on top of tuition increases. For many an affordable loan is the difference between staying in school or giving up the dream of a college education. We should not let this loophole stand in the way of those dreams.

I urge our Republican colleagues to end their filibuster of this vital bill. If Republicans think they have a better way, let's debate their alternative and let's vote. Let's end this filibuster. Let's end it today.

Madam President, I yield the floor. The ACTING PRESIDENT pro tempore, The Senator from Virginia.

Mr. WEBB. Madam President, I ask unanimous consent to speak for 15 minutes as in morning business.

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

WAR POWERS

Mr. WEBB. Madam President, I rise today to address perhaps the most important constitutional challenge facing the balance of power between the Presidency and the Congress in modern times, and also to offer a legislative solution that might finally address this paralysis. It is an issue that has for far too long remained unresolved. And for that reason I have attempted to address this body to it has diminished the respect, the stature, and the seriousness with which the American people have viewed the Congress—to the detriment of our country and to our national security.

The question is simple: When should the President have the unilateral authority to decide to use military force, and what is the place of the Congress in that process? What has happened to reduce the role of the Congress from the body which once clearly decided whether the Nation would go to war, to the point that we are viewed as little more than a rather mindless conduit through which we collect taxes and disperse them to the President for whatever military functions he decides to undertake?

We know what the Constitution says. Most of us also know the difficulties that have attended this situation in the years that followed World War II. We are aware of the debates that resulted in the war powers resolution of nearly 40 years ago in the wake of the Vietnam War, where the Congress attempted to define a proper balance between the President and this legislative body. I have strong memories of the policy conflicts of that era, first as a marine infantry officer who fought on the unfinished battlefields of Vietnam, on which more than 100,000 U.S. marines were killed or wounded, and later as an ardent student of constitutional law during my time at the Georgetown University Law Center.

It was in the decades following Vietnam that our constitutional process seems to have broken apart. Year by year, skirmish by skirmish, the role of the Congress in determining where the U.S. military would operate and the awesome power of our weapon systems would be unleashed has diminished. In the aftermath of the 9/11 attacks, especially with the advent of special operations forces and remote bombing capabilities, the Congress seems to have faded into operational irrelevance.

Congressional consent is rarely discussed. The strongest debates surround
the rather irrelevant issue of whether the Congress has even been consulted. We have now reached the point that the unprecedented—and, quite frankly, contorted—constitutional logic used by this administration to intervene in Libya on the basis of what can most kindly be called a U.N. standard of humanitarian intervention was not even subject to a full debate or a vote on the Senate floor. Such an omission, and the precedent it has set, now requires us to consider two uncomfortable alternatives. Either we as a legislative body must reject this passivity and live up to the standards and expectations regarding Presidential power that were laid down so carefully by our Founding Fathers or we must accept a redefinition of the very precepts upon which this government was founded.

This is not a political issue. We would be facing the exact same constitutional challenges no matter the party of the President. In fact, unless we make a change, there is no doubt we someday will.

The conflict in the balance of power between the President and the Congress has always been an intrinsic part of our constitutional makeup. Article I, section 9, of the Constitution provides that the President shall serve as Commander in Chief. In the early days of our Republic, these distinctions were clear, particularly since we retained no large standing army during peacetime, and since article I, section 8 also provides that the Congress has the power to “raise and support armies,” a phrase that expressed the clear intent of the Framers that large ground forces were not to be kept during peacetime but, instead, were to be raised at the direction of Congress during the time of war.

Our history confirms this, as our armies demobilized again and again once wars were completed. Only after World War II did this change, when our rather reluctant position as the world’s greatest guarantor of international stability required that we maintain a large standing military force, much of it stationed in Europe and Asia, ready to respond to crises whose immediacy could not otherwise allow us to go through the lengthy process of mobilization in order to deploy and because of that reality made the time-honored process of asking the Congress for a formal declaration of war in most cases obsolete.

But any logical proposition can be carried to a ridiculous extreme. The fact that some military situations have required our Presidents to act immediately before then reporting to the Congress does not, in and of itself, give the President a blanket authority to use military force whenever and wherever he chooses, even if Americans are not personally at risk and even where the vital interests of our country have not been debated and clearly defined. This is the ridiculous extreme we have now reached. The world is filled with tyrants. Democratic systems are far and few between. I don’t know exactly what objective standard should be used before the U.S. government intervenes. I have never advocated a so-called humanitarian intervention by using our military power to address domestic tensions inside another country, and I don’t believe anyone else knows either. But I will say this: No President has ever had the unilateral authority to make that decision either.

I make this point from the perspective of somebody who grew up in the military and whose family has participated as citizen soldiers in most of our country’s wars, beginning with the American Revolution. I was proud to serve as a marine in Vietnam, and I am equally proud of my son’s service as a marine infantryman in Iraq. I am also deeply grateful for having had the opportunity to serve 5 years in the Pentagon, first there as Assistant Secretary of Defense and as a Secretary of the Navy. I have also benefited over the years from having served in many places around the world as a journalist, including in Beirut during the civil war there in 1983 and in Afghanistan as an embedded journalist in 2004. As most people in this body know, I am one of the strongest proponents of the refocusing of our national involvement in East Asia. I was the original sponsor of a Senate resolution condemning China’s use of force with respect to sovereignty issues in the South China Sea.

The point is I am not advocating a retreat from anywhere. But this administration’s argument that it has the authority to decide when and where to use military force without the consent of the Congress, using the fragile logic of humanitarian intervention to ostensibly redress domestic tensions inside another country’s interests are not being directly threatened is gravely dangerous. It is a bridge too far. It does not fit our history. To give one individual such discretion ridicules our Constitution. It belittles the role of the Congress. For anyone in this body to accept this rationale is also for them to accept that the Congress no longer has any direct role in the development, and particularly in the execution, of foreign policy.

There have been important boundaries that have always existed when considering a President’s authority to order our military into action without the immediate consent of the Congress. To exceed these boundaries—as the President has already done with the precedent set in Libya—is to deliberately destroy the balance of powers that were built so carefully into the Constitution itself.

These historically acceptable conditions under which a President can unilaterally order the military into action are clear: If our country or our military forces are attacked; if an attack, including one by international terror-
would recognize that modern circum-
cumstances require an adroit approach
to the manner in which our foreign pol-
icy is being implemented. But it would
also put necessary and proper bound-
aries around a President’s discretion
when it comes to so-called humanitarian intervention, where we and our
people are not being directly threat-
ened. My legislation requires that in
any situation where American inter-
est are not directly threatened, the President must obtain formal approval
by the Congress before introducing
American military force. This legisla-
tion will also provide that debate on
such a request must begin within days
of the request and that a vote must
proceed in a timely manner.

I remind the leadership on both sides
of this body that despite repeated calls
from myself and other Senators, when this administration conducted month
after month of combat operations in
Libya, with no American interests di-
rectly threatened and no clear treaty
provisions in play, the Congress of the
United States, both Democratic and
Republican, could not even bring itself
to have a formal debate on whether the
use of military force was appropriate, and thereby never put on for months was never approved.

The administration, which spent well over
$1 billion of taxpayer funds, dropped
thousands of bombs on the country and
operated our military offshore for
months, claimed that combat was not
occurring and rejected the notion that
the War Powers Act applied to the situ-
ation. I am not here to debate the War
Powers Act; I am suggesting that other
statutory language that covers these
kinds of situations must be enacted.

The legislation I will be introducing
will address this loophole in the inter-
pretation of our Constitution. It will
serve as a necessary safety net to pro-
tect the integrity and the intent of the
Constitution itself. It will ensure that
the President does not on his preroga-
tives, which were so carefully
laid out by our Founding Fathers, but
do not serve to the manner in which our foreign pol-
ications. But if the interest
rate doubles, what will happen to
you. One Anchorage resident says her
granddaughter graduated from Charter
College. I know this college well. This
is a privately run college which has an
incremental placement rate—almost 90-
percent placement rate once they gradu-
ate with their degree. It is an inten-
sive program. It is like a job. Students
are there 8 to 5 every day, all day, for
several months, and they consolidate
the time they are working on her
accounting degree, and now, 6 years
later—because she had to work two jobs while going to school, trying to
pay for this and borrowing money—her
total debt is $72,000. She is 31 years old.
Her family is truly wondering how she
will ever get out of debt if this bill
doesn’t pass, because if the interest
rates adjust, it is truly money that
comes out of her pocket to literally
pay off interest, and the net result is
she gets deeper and deeper in debt.
We know the cost of college is more and more expensive every year, and
one way we are going to make sure stu-
dents can afford this is by making sure
we do not double the interest rate. We
had a vote earlier this week that did
not succeed. We tried on this side to
move it forward. It is important for us
to make sure every kid has access to
education—whether it is higher edu-
cation or trade schools or whatever the
new title is they like to use to describe it—because we are in a
globally competitive economy, and
we need to make sure our kids are well
educated and have access to education,
which means affordable education.

Yesterday I was listening to the de-
bate, and this is where my small busi-
ness part comes in. I have been in the
small business arena since the age of
14. I have operated and owned a variety
of businesses—some successful, some
not so successful. Hopefully, you learn
from those that are not so successful, and
I think I have. The Democrats’ pay-for—the majority’s pay-for—was
to close a tax loophole used by high-in-
come earners—basically lawyers, lob-
ysts, and consultants. No disrespect
to their fields, but they basically use
the system to avoid paying the Medi-
care taxes, for example, or corporate tax.
All of us who sit in this Chamber, the
people who work at the restaurants
outside here, the people who drive the
buses, and everyone else, pays that tax.
But some use this to organize under an S
corporation. It is a technical term
under the IRS Code that allows those
profits to go right to the individual. So
they decided instead of paying it as a
wage, they would take it as profit or a
dividend, thus avoiding the Medicare
taxes all of us pay. They are getting a
free ride.

I heard the phrase used yesterday on
the floor, “a bunch of new taxes.”
These aren’t new taxes. These are
taxes that are owed. They just found a loop-
hole—a tax consultant’s law—high-in-
come earners—basically lawyers and
lawyers—through the writing of the
laws. And they probably wrote them.
Actually, they did, if you look at the
history of it. They wrote the law so
they could avoid the Medicare taxes
everyone else has. When I hear people saying it is the restaurant
owner, it is the retailer, the plumber,
I think, that is a bunch of baloney. That
is misinforming the public. It is unbe-
lievable. I know this, because as a
former retailer who had an S corpo-
ration, we paid our taxes. We paid with
a wage. We paid it all.

This loophole is clear. All you have
to do is look at it. They have to meet
these standards: more than $250,000 of
income above $250,000 for joint filers, $200,000
for individuals and shareholders, and
an S corporation that derives 75 per-
cent or more of gross revenues from
services of three or fewer shareholders.
So you say the mom-and-pop folks who work
every day and pay their taxes.

So for Members to come to the floor
and try to trick the public—because

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that is what they tried to do by using convoluted words, knowing people are getting the 10-second sound bites—saying, oh, it is going to raise new taxes and cause all these small businesses not to hire, that is baloney. This is about lobbyists, lawyers, and consultants who wrote the law making sure they didn’t have to pay a dime. That is what that is about. For people to come to the floor and say we are going to raise the interest rate on hard-working families who are trying to get their kids through college and can afford the high cost so they can become productive parts of this country, perhaps opening their own small business and paying their taxes, as every other small business does.

I was appalled when I heard some of the Members speaking on this and they sounded so logical. But to be frank with you, there are not many in this body—not disrespect to my colleagues—who have owned and operated a true small business. I am talking about starting with a few nickels and dimes because you got turned down by the bank; where the banker told you your idea was a dumb idea. I can say this from personal experience. Three years later, I sold that business for three times what I had invested. I spent a year in AmeriCorps, and his family who has a child in college and another child in school, and doesn’t know how else to describe it. I thought it was a good idea, but the banker didn’t. But I had to scratch together two nickels to make that business successful. I had to work 12 to 15 hours every day to make sure it was successful. That is a small businessperson. There are not many in this body.

So when a Member comes to the floor and sounds so professional in their description of how it is going to affect certain people, it is incorrect. And one thing I wouldn’t mind in this body is to have the facts. That is what the public deserves, not this kind of 10-second media bite, where they can get away with anything and then say back home, we didn’t raise taxes, we didn’t do this. What they are doing is jacking up rates on students. That is what is going to happen at the end of the day here, by July 1, if we don’t take action.

And we have taken action on this side. But the end result will be that families, hard-working families, middle-class families, students who are trying to get into college, and students who will pay more for their education because of a simple law that we can correct. All we have to do is close the loophole that lobbyists, lawyers, and consultants are taking advantage of and wrote to their advantage to stick it to the middle class. I think it is time to reverse the trend, for once, around this place—just once—and give the middle class a break here. This is a break they deserve and it will help to build our economy and in the future cause we will have a highly educated workforce meeting this global economy.

I know there is another alternative out there. There is a new pay-for, and here is what that is about: It takes away prevention funds for health—$226 million used to reduce diabetes and heart disease. I don’t know about my colleagues, but if we don’t prevent it, then we have to care for it. Those are preventable diseases. This money is well invested. They also want to take away the $93 million used for anti-tobacco education and $190 million used for immunizations.

Our Republican friends do not like the plan that closes the loophole on lobbyists, lawyers, and consultants, but they do like the one that takes away prevention programs that help the middle class, that helps our young families who might be experiencing signs of a preventable disease—heart disease. And a little prevention might save their lives, but it will also save on health care costs in the future.

I see this proposal as crazy talk. I don’t know how to describe it. Let’s get on with closing the loopholes people took advantage of by lobbying and wheeling and dealing in the halls of Congress. Let’s fix that and protect our working families, our middle-class families, and make sure we are doing the right thing. That is what they sent us here to do, and I think we have an obligation.

Again, I hope we move forward and make sure we are not going to allow the rates on these loans to double. I am not for doubling the rates; 3.4 percent is a good rate. We should ensure students can get that rate as they get prepared for the fall session and are borrowing money to get on with their higher education.

I thank the Chair. I yield the floor, and I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The PRESIDENT pro tempore. The clerk will call the roll.

The PRESIDENT pro tempore. The clerk will call the roll.

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

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

Mrs. GILLIBRAND. Mr. President, I rise today to join my colleagues in calling for a real solution to the impending student debt crisis. Yesterday we had a chance to do the right thing and stand with millions of young Americans all across our country, to invest in their future by preventing these interest rates from doubling on Stafford loans 52 days from now. In stead of having colleagues across the aisle chose to stand in the way of a common-sense proposal. As a result, 7 million students are facing higher interest rates that will cost them each an extra $1,000 a year in interest, further pushing access to quality higher education out of reach for too many and saddling others with additional unmanageable debt when they get out of college and join the workforce.

But don’t take it from me about how tough this is going to be, take it from the students and the families themselves. Just as the Presiding Officer has heard from thousands of families all across Alaska, we have been hearing the same online and through e-mail and phone calls. This is what this would actually do to their families.

I heard from one New York parent who has a child in college and another heading there this fall. His older child will graduate in April, 2013, and his younger is there serving now. He said: These kids are serving America. Both of my kids will leave college with around $25,000 in debt, if we can afford to keep it down that much.

We should all be able to agree that adding another $1,000 or more per year to the debt of kids who are only looking to serve this country, get a good education, and help rebuild this economy is wrong.

I heard from a woman in the Bronx. She has a job as a social worker, and she is on track to pay off her student loans in the next 10 or 11 years—just in time for her twin daughters to start college. She said:

My choice is to instead decide what bill I’m going to pay this month, making me fall behind on other payments, destroying my credit in the future. It doesn’t seem to be any higher, I honestly do not know how I would survive at all. Pretty much all the money I am making is going straight into student loans. We need all the help we can get.

These are just a few of the stories I heard yesterday. And the families expect better from us.

When we price young people out of a college education, we all are going to pay the price. When we limit their opportunity, we rob ourselves of those future engineers, biologists, and small business owners. America’s ability to lead the global economy relies on our ability to outeducate the global competition.

Let’s open doors to higher education to anyone who is willing to work for it, and let’s keep it affordable. Let’s reward hard work and responsibility in the future. It is wrong to take, there is no excuse for inaction, so let’s have a real debate, in good faith, to solve this problem we all know is within our reach. Students and families all across America can’t afford any more delay.

Mr. President, I suggest the absence of a quorum.

The PRESIDENT OFFICER. The clerk will call the roll.
The assistant legislative clerk proceeded to call the roll.

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

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

CHARTER SCHOOLS

Mr. ALEXANDER. Madam President, this week is the 13th annual National Charter Schools Week. On Tuesday, this week is the 13th annual National Charter Schools Week. On Tuesday, I visited there 4 years ago during spring break. Most of the students in Memphis were somewhere else, but not the students at the Memphis Academy of Science and Engineering. These were sophomores studying advanced placement biology. These were children who had helped a school the previous year; therefore, that were deemed to be low-performing schools. In other words, these were among the students in Memphis considered least likely to succeed. But they were fortunate. They were allowed to attend charter schools. Their parents had chosen this charter school.

Here is what was different about the school. The union rules, the State rules, and the Federal rules had been relaxed so that the teachers had the freedom to do what they thought those children needed in that school. In this case, many of these children didn’t have as much at home as other children did, so the teachers decided that the school ought to be open 12 hours a day, that it ought to be open on Saturday morning, and that it ought to be open more weeks a year than other schools. And the students were there on spring break studying advanced placement biology, which is not what many sophomores do in many schools in this country. And these children were succeeding.

The charter school was able to pay some teachers more than others. It was able to give some classes that were smaller than others. It meant that some scheduled classes were longer than others and some children got special attention that needed it.

You may say: Well, that makes so much common sense. Why aren’t teachers able to do that in every public school in America? That is a very good question because, in a way, every one of our 100,000 public schools in America should be a charter school in the sense that the real definition of a charter school is that it gives teachers the freedom to use their own good sense and judgment with the children whom parents choose to send to that school.

I have a personal interest in charter schools. Twenty years ago, I was the U.S. Secretary of Education. I was in my final year. The last thing I did in 1992 as Secretary was to write a letter to all the school superintendents in America urging them to consider what a small number of Minnesota public schools were doing in what they were then calling startup schools. These were the first charter schools in America. Their origin was primarily from the movement of the Democratic Farmer Labor Party in Minnesota. But at the same time, on the conservative side of the ideological spectrum, there were many who were calling for getting rid of teacher union rules and State rules and regulations that were making it harder for teachers to teach. So there was a happy convergence of support for this idea of startup schools.

I remember that Albert Shanker, the late head of the American Federation of Teachers, supported the idea from the beginning. Bill Clinton—he was in charge of the effort in the education establishment didn’t like it. They were afraid of what might happen.

Well, here is what has happened over the last 20 years. Instead of a handful of schools in Minnesota, we now have about 5,600 charter schools in America today. About 5 percent of all of our public schools are charter schools. The way they work is very simple. They are public schools, and the money the State and local government would ordinarily spend on their district school follows each child to the charter school. So it is just a public school organized in a different way.

The first one, as I said, was in 1992—City Academy High School in St. Paul, MN. In 1997, President Clinton called for creating 3,000 charter schools by 2002. This was after the first President Bush had called for creating “break the mold” schools in the district schools in America—another name for what we call charter schools today. And then in 2002 the second President Bush called for $200 million to support charter schools. Today, 41 States have charter schools, and the schools serve more than 2 million students—about 4 percent of the 50 million students in our public schools today.

I am proud to say that our own State of Tennessee has had a strong charter school movement since 2002, and only recently has the State charter law been amended to remove the cap on the number of schools in the State and limitations on student eligibility. We currently have 40 charter schools operating in Tennessee—25 in Memphis and 11 in Nashville—with nearly 10,000 students attending these schools. Our first to the Top plan—Tennessee won the President’s Race to the Top plan for education—included $14 million to expand high-performing charter schools. The recently created Achievement School District, which Governor Bill Haslam created, has approved three charter operators to turn around priority schools that are failing, and we can expect more to be approved next year.

So the question often is asked, well, are charter schools really helping students? And in some ways the jury is still out. Charter schools are relatively new, and there are many more that are expected to go into the success of a student in a school, the No. 1 factor being what happens at home. But there are good and encouraging indications.

A recent study by Stanford University found that two-thirds of the charter schools in Tennessee have been improving student performance in reading or math at a faster rate than competing traditional district public schools. Sixty-seven percent of charter schools in Tennessee have been improving the overall growth of their students for the last 3 years.

But that means that 30 percent of the charter schools weren’t performing as well or were performing worse. So the fact is, not every charter school is a success. Start-up business is successful. But we have a model in our country that reminds us of what can happen when we have autonomous institutions where administrators and teachers have the privilege of making their own decisions and using common sense to make things happen, and we call that higher education.

In the United States of America, we have around 6,000 institutions of higher education. There are the biggies—Yale University, Notre Dame, University of Tennessee, Notre Dame, or Stanford. There are many different kinds—for-profit, nonprofit, public, nonprofit. But they are all largely autonomous and the students choose the schools they attend. And what has happened? Everyone in the world agrees that we have not only the best colleges in America, but we have almost all of the best colleges.

That goal should be to gradually increase the number of charter schools. At the same time, it is important that there should be some accountability. I know that in Tennessee they have a tough review board, and if a charter school is not working, it is closed down. That should be the case in many other places. You might ask: Why would you go through that struggle? Well, we should be doing that with some of the non-charter public schools as well, and why are we beginning to do that with so-called turnaround schools.

Charter schools should be held to the same standards as other public schools. And charter schools shouldn’t be allowed to pick and choose; they should be required to enroll all eligible students. If more students want to come than they have room for, there could be some fair method for choosing the students, such as a lottery. That makes a very good case. If charter schools are so popular that more families want them than they have room for, then we need even more charter schools.

I am happy to come to the floor today to praise the teachers and the
innovators, Presidents of both parties, including President Obama and his Secretary of Education, Arne Duncan, who have strongly supported charter schools, just as President Bush and President Clinton and the first President Bush did.

This is a movement that has broad bipartisan support. It has grown from a handful of schools in Minnesota 20 years ago to 5 percent of all of our public schools in the country today. What we have found is that when you give teachers and freedom to use good judgment and when you give parents more choices of schools, good things happen. The charter school movement is proving that. This is a week to salute their hard work and to hope that over the next year, 5 years, 10 years, more and more public schools become charter schools, where teachers are free to exercise their judgment and parents are free to choose the schools their children attend.

Madam President. I yield the floor.

The ACTING PRESIDENT pro tempore. The Senator from Rhode Island.

Mr. REED. Madam President, in less than 2 months—53 days—the interest rate on subsidized student loans will double to 6.8 percent unless Congress acts. If the rate on subsidized Stafford loans is allowed to rise, as many as 7.4 million students across the Nation, including approximately 43,000 students in Rhode Island, will pay about $1,000 more for each year that they borrow, and that is on top of already significant debt.

Some have argued, even while claiming to support keeping interest rates low, that the increase would not be a significant financial burden. Students and families beg to disagree. This would be a significant impediment to completing their education. For younger students starting their education, for those seeking educational opportunities for job transition in midlife, those who would be frustrated also. Right now students and their families are sitting around the kitchen table making tough decisions about next year and whether they can afford to go to school if interest rates double.

One Rhode Island mother wrote me:

Please do not raise the interest rates on student loans. My son will be in his last year . . . I cannot afford to pay any more and fear that he will not be able to graduate and still have a chance to go back.

So in addition to frustrating educational advancement, it could leave many students across the country with lots of debt and no degree.

Hundreds of thousands of young people, parents, educators, and members of the faith community and other community leaders have come to us with one simple request: Don’t double the rate.

Some on the other side have argued that loans for Federal loans have contributed to rising college costs and increased student debt. This does not make sense. The maximum amount undergraduates can borrow in subsidized loans has remained unchanged at $23,000 for the last 20 years. There are many causes that are accelerating tuition, but the amount of available, accessible subsidized Federal loans for students has remained unchanged. But increasing the cost of these loans by doubling the interest rate will certainly make college more expensive for families and for students.

We need to address college costs, but having the Federal Government double the interest it charges for students, particularly the low- and moderate-income students, is not the solution. In fact, it complicates the problem dramatically.

My colleagues on the other side of the aisle say they want to stop this from happening. Governor Romney, the presumptive Presidential nominee, says he wants to stop this from happening. Yet they are blocking us from even meaningfully, so we can debate these things, so we could offer their proposals to pay for what we agree needs to be done, to stop the interest rate from doubling. They are blocking debate because they refuse to make it a subject ideological as if there is a practical basis to change the Tax Code and to close a loophole that is egregious and should be closed in order to allow us to help middle-income families.

In this time to take this pledge with respect to no new taxes to a degree that defeats a practical, pragmatic solution to a problem that they know has to be solved. It has to be solved before July 1.

This decision is fairly clear. It is a choice between allowing young people to get a college degree or fealty, to a pledge to never, ever raise anything to get a college degree or fealty, to a pledge with respect to no new taxes to a degree that defeats a practical, pragmatic solution to a problem that they know has to be solved. It has to be solved before July 1. This is a movement that has broad bipartisan support. It has grown from a handful of schools in Minnesota 20 years ago to 5 percent of all of our public schools in the country today. What we have found is that when you give teachers and freedom to use good judgment and when you give parents more choices of schools, good things happen. The charter school movement is proving that. This is a week to salute their hard work and to hope that over the next year, 5 years, 10 years, more and more public schools become charter schools, where teachers are free to exercise their judgment and parents are free to choose the schools their children attend.

Madam President. I yield the floor.

The ACTING PRESIDENT pro tempore. The Senator from Tennessee.

Mr. ALEXANDER. Madam President, I enjoyed listening to the Senator from Rhode Island, as I always do. His passion for education is always on his sleeve and always front and center and I admire him for that.

There are a couple of things I wish to make clear. If you are a student and you already have a student loan, what we are talking about has nothing to do with your loan. In other words, your rate on that loan is not going up. What we are talking about only affects new loans. So before you think about not going to college next year because of all this talk about student loan rates going up, you are wrong. We are only talking about new loans.

Second, for 60 percent of the students who get new loans, we are not talking
about you either. So you don't have to worry about student loan rates going up.

Third, for those of you about whom we are talking, the 40 percent who have these subsidized undergraduate student loans. Talking about paying you is $7 a month in interest payments over the next 10 years. Now $7 a month can add up, which is why Governor Romney as well as President Obama, Republicans as well as Democrats, want to keep the interest rate at the rate it is now for new loans, 3.4 percent, for another year. But it is $7 a month in savings. It is important to know that.

It is also important to know that there is an easy way to get this done. The House of Representatives has already passed a bill that would keep the interest rate at 3.4 percent for these 40 percent of new loans for one more year. All the majority leader has to do is bring up the House-passed bill and enact the Senate. In other words, we agree on extending the interest rate. We only have a difference of opinion about how to pay for it.

I have offered an alternative supported by many Republicans, which is the same bill, which simply says we want to keep the interest rate where it is for another year, 3.4 percent, and we want to do the logical thing to pay for it. We want to give back to students the money that the government is taking from them to help pay for the new health care law.

You may think: what in the world does the health care bill have to do with student loans? That is what many of us thought when the health care law was being debated. Because, what our friends on the other side of the aisle did during the health care law debate was take over the whole student loan program and almost turn the U.S. Secretary of Education into the U.S. banking commissioner. He has the job of making more than $100 billion in new student loans every year. Their idea was the government can make these loans better than the banks. Our friends on the other side of the aisle said to the students: The banks are overcharging you. We are going to take it over and we will be doing you a favor.

What did the Democrats do? They took it over, but they didn't do the students a favor. According to the Congressional Budget Office, there was $61 billion of savings from taking over the loan program, much of which was money that the students should not have been paying. When the federal government took it over, what did the Democrats do? They spent it on other programs, all except for $10 billion, including $8.7 billion helping to pay for the new health care law.

The way the Congressional Budget Office looks at it, $61 billion in savings resulted from these programs, in other words—the government borrowing money at 2.8 percent interest and loaning it to students at 6.8 percent interest. We now want to take that profit from overcharging students and give it back to students. That is the way to pay for extending the 3.4 percent interest rate that we are talking about for another year.

We also have agreement on this. Republicans as well as Democrats, Governor Romney as well as President Obama, say keep the 3.4 percent rate for another year. Students should know that it does not affect anybody who has a loan today and that it will save every student a new subsidized loan. We want to do that. But the way we want to pay for it is by giving back the money that the other side of the aisle took from you to help pay for the health care bill. That is the right way to do it, instead of the typical reaction we often hear from the other side, which is we have something we want to do so we will simply raise taxes on people and businesses creating jobs in the middle of a recession.

I yield to the Senator from Tennessee. No one is as knowledgeable in education programs as the Senator from Oregon, Mr. Wyden, who has been so eloquent on this subject. We all would note that Governor ALEXANDER and I have worked together on a host of issues. I think he brings great expertise to this discussion as well.

The Senator is absolutely right, this legislation does the right thing for extending the lower interest rate that we are talking about for another year. Students should have a change of heart and decide that is not appropriate.

The other aspect I think is interesting to note about the House is they have proposed significant reductions in tax rates and they have said they would pay for them with a loophole—ones that benefits the wealthiest Americans; it has been criticized by the Wall Street Journal, criticized by Robert Novak, the late columnist—or practically going in and targeting prevention programs. I think we conceptually agree if we don't get a handle on prevention of diabetes, of cancer, of diseases that are costing us billions of dollars, then our task to deal with health care will be immensely more difficult. It is very clear.

What is also very clear is, I think, particularly the fragmentation of the country. But as the Senator is saying, there is an easy way to get this done. Let's get on to the bill. Let us go ahead and put these two different proposals on the floor and take a vote. I hope the proposal to close the loophole would pass. But if it did not, at least we would be in a position of preventing the doubling of interest rates on student loans.

With great respect to the Senator from Tennessee, I hope we can move forward, have a vote on the different proposals to pay for it, and then move forward and let people know that their rates will not be doubled.

The PRESIDING OFFICER (Mr. FRANKEN). The Senator from Oregon, Mr. Wyden, Mr. President, for the Senator from Tennessee, I hope we can move forward and let people know that their rates will not be doubled.

The STOP THE STUDENT LOAN INTEREST RATE HIKE ACT. Mr. FRANKEN. The Senator from Rhode Island. Mr. REED. I have the utmost respect for the Senator from Tennessee. No one is as knowledgeable in education programs as the Senator from Oregon, Mr. Wyden, who has been so eloquent on this subject. We all would note that Governor ALEXANDER and I have worked together on a host of issues. I think he brings great expertise to this discussion as well.

The bottom line for me is that millions of young people are hurting right now in America. They are up to their eyeballs in debt and they cannot find good-paying jobs.

For example, we have seen in our state, according to the Oregon Employment Department, that the unemployment rate last year was 9.4 percent but was 19 percent for workers age 16 to 24. I also note we have seen that the labor participation for young people has declined as well. We have an enormous array of challenges in front of us. The reason that this legislation, the Stop the Student Loan Interest Rate Hike Act, is so important is that it allows us to achieve two important objectives. First, it puts in place a tool that will allow us to get young people on the right track. For example, and you have already incurred some debt and you want to finish school, then you want to get a degree in a field where you will get a job that pays a good wage. Without this legislation you are going to incur still more debt. So this legislation ought to be supported because it holds the line on debt, and by doing so it helps us achieve a very important objective: to increase the opportunity for young people to access higher education.

Again, we can get into a discussion about the House, but their money comes from ultimately in terms of was it part of funds for health care, et cetera. But we are facing the choice today of helping students and closing an egregious loophole—one that benefits the wealthiest Americans; it has been criticized by the Wall Street Journal, criticized by Robert Novak, the late columnist—or practically going in and targeting prevention programs. I think we conceptually agree if we don't get a handle on prevention of diabetes, of cancer, of diseases that are costing us billions of dollars, then our task to deal with health care will be immensely more difficult. It is very clear.

What is also very clear is, I think, particularly the fragmentation of the country.
to get to college. Families sitting around kitchen tables and in their living rooms have said this for years. Work hard in high school and try to get into college. And I have supported, here in the Senate, policies that increase access to a good education. By holding the line on debt we increase the opportunity for young people to get more value out of their education. The reason I bring this up is because my sense is that future policy in the higher education field is going to be about marrying these two objectives. Let’s support this important legislation, S. 2343, to expand access, and use it as a foundation to move on to the next step of education policy, which is to get more value out of the education a young person pursues.

The reason I feel that way is that all over my State I am going to high schools and community colleges and talking with students who are thinking about both of those principles, access and value. For example, at Blue Mountain Community College in Pendleton I met a young man who is taking 20 credits at school, working at Arbys full time as a manager, and he is already concerned about the debt he is racking up. He said to me: As I get my education, how will I know that I have laid the groundwork for being able to get a good-paying job? I told him, just as I am suggesting to the Senate today, that I am going to support efforts to expand student aid and make sure we hold down debt for young people. I described what we are dealing with on the floor of the Senate.

I also told him I have introduced a piece of legislation with my colleague on the other side of the aisle, Marco Rubio, called the Student Right To Know Before You Go Act. This bill will make it possible for students all across the country to get information about the expected average annual earnings after graduation, the rates of remedial enrollment for a particular field at a particular college, the average costs both before and after financial aid, and the prospects of a student earning a good living after receiving a particular degree at a particular school. With this legislation we lay the foundation for what I think will be the education policy of the future.

We will ensure that students have access and ensure that they get more value out of their education and get more value out of the loans and other debt that they have to pay back. And the two go hand in hand. I ran into students who were juniors, for example, at colleges in my State and already owe $60,000. We have legislation that juniors are probably going to reup for a loan, and they are going to have to pay more, and that has the effect of reducing access to higher education. Paying more, it seems, is also going to reduce the opportunity for students to buy a bit more value out of their education as we try to get them better information with respect to the value of specific degrees, programs at specific schools. This type of information is now impossible to find. Suffice it to say, these two judgments, both with respect to the debt and the value of what they have pursued in terms of their college degree, are going to color their decisions for the next step, which is empowerment.

One of the students I met in Oregon recently as I talked about this issue was interested in getting a medical degree. And as we have talked about health care issues—which the President of the Senate and I have both been very interested in over the years—one of the questions he asked me was how was he going to be able to get a medical degree initially and what would happen to him when he got out of medical school with an enormous amount of debt, there is a pretty good chance at home to pass some of that debt on to their patients, which means we are going to see medical costs for a lot of people in our country escalate still higher.

So the fact that we have these debts and young people to purchase value in their education is going to have remarkable ripple effects all through our country for years and years ahead. I am going to close simply by way of saying this: We have seen young people contribute to our economy. The President of the Senate shares an interest with this Senator in technology. Technology has been a big source of jobs in States such as Minnesota and Oregon. This type of engine is critical for our country. Think about who brought us Facebook and Google and Twitter and YouTube. A disproportionate amount of the creative talent has been young people.

So we must first take steps to hold the line on debt—and that is to pass Senator Harkin’s and Senator Reid’s bill—so we don’t say to college sophomores and juniors, we don’t care if they rack up any more debt when we know that they are going to have to bring to them. Then we can move on to the next step, which is empowering students and families to be able to get the maximum amount of value from their education. If we don’t take these steps I think we will have let the country down in this area at a crucial time.

We understand that higher education is one of the principal paths, if not the best path, to success for many students. It is not for every student, but certainly for millions. And education has the potential to contribute to technology which has been, as I described, a real spark for our economy.

So I see other colleagues waiting to speak, and I only urge colleagues to pass this legislation, S. 2343, to ensure that we don’t heap more debt onto the backs of students in college now and who might be reupping on those loans and wondering if they can afford it. This type of legislation is going to be about taking additional steps to ensure that our young people get more value for their college education.

Senator Rubio and I have teamed up on a bill that I think addresses that. It is called the Student Right To Know Before You Go Act. Going to that next step and adding more value to a young person’s education when they are armed with the facts requires that we lay the foundation of access to a good education, which I think should be required when so many young people are hurting.

I went through the statistics, and it requires that we pass S. 2343. I yield the floor.

The PRESIDING OFFICER. The Senator from North Carolina.

Mrs. HAGAN. Mr. President, I come to the floor today to also speak about preventing student loan interest rates from doubling from 3.4 percent to 6.8 percent, and I am disappointed that par-tisan gamesmanship is threatening the financial futures of students in North Carolina and around the country.

In North Carolina we are very proud of our 16 excellent public universities and 4-year colleges. In addition, dozens of the best private colleges and universities in the Nation also call North Carolina home. Our excellence in higher education sets North Carolina apart.

Business owners I talked to routinely told me that our highly educated and highly skilled workforce is what attracted their companies to North Carolina. There is no doubt that the strength of our economy going forward depends on the continued strength of our educational system. However, the cost of college continues to rise in North Carolina and across the country. If Congress does not act before July 1, more than 160,000 North Carolina students will be saddled with an additional $1,000 in student loan debt.

According to the project on student debt, more than half of North Carolina’s 300,000 students at 4-year colleges and universities borrowed money to pay for their college. The economic impact of these students graduated with more than $21,000 in debt. That debt has real consequences for our graduates and for North Carolina’s economy. With this debt to pay off, young entrepreneurs are less likely to take a chance starting a small business. They are less likely to buy a new car, and they are less likely to buy a home. This only hurts our economy. Keeping interest rates low will go a long way to ensuring that young people can afford their student loan payments when they graduate.

I recently heard from a freshman at UNC Charlotte about how concerned...
she already was about the debt she was piling up when she graduates in 4 years. She cannot imagine what would happen if interest rates double. Perhaps she would have to drop out altogether.

A student at Western Carolina University recently wrote to me, while studying for finals, asking that we please prevent a doubling of his student loan interest rates. So in the midst of preparing for final exams, this young man was worrying about the final debt that he will receive after graduating. He said doubling the Stafford loan interest rate would severely hurt his ability to continue his education. He wants to study cell biology.

In a global 21st-century economy, the sciences are exactly the types of fields that we need our students to excel in so we can compete with China and other foreign countries. We should be helping these young people succeed, not throwing up barriers that get in the way.

I am also hearing from parents. A mom with three children e-mailed me recently. Her oldest child will be starting college in 2 years. She is already worried about the debt that her children will face and she certainly is requesting that we not double the interest rate on this debt.

Our students deserve a fighting chance when they graduate. We shouldn’t put them thousands of dollars behind before they even reach the starting line. I will do my part to ensure students in North Carolina have the chance to thrive after graduating.

I urge my colleagues to join me in supporting this legislation that will prevent student interest rate loans from doubling.

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

The PRESIDING OFFICER. The bill clerk will call the roll.

The bill clerk proceeded to call the roll.

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

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

Mr. BINGAMAN. Mr. President, I understand we are debating the motion to proceed to S. 2343, the Stop the Student Loan Interest Rate Hike Act of 2012; is that correct?

The PRESIDING OFFICER. That is correct.

Mr. BINGAMAN. Mr. President, I come to the floor to urge my colleagues to vote to proceed to this important legislation. I was disappointed to see Republicans of my Republican colleagues voted against allowing debate and amendments on this legislation. I have heard Senators from both sides of the aisle acknowledge the need to prevent the July 1 rate increase on the Stafford loans, the subsidized loans. So it is understandable and not willfulness to even consider the bill and have a thoughtful debate and an opportunity for amendment which will allow us to keep these interest rates low for college students in all of our States.

Members may disagree about the best way to pay for keeping the rates at 3.4 percent, but we need to go ahead and proceed so that we can pass legislation to accomplish this. If Senators have different proposals, they can offer them. But by blocking debate, we, obviously, cannot get to a solution of this problem.

The Democrats have proposed to pay for the legislation by closing a tax loophole that people use to avoid paying Social Security and Medicare taxes. That is the so-called S corporation payroll tax loophole. This proposal would close the loophole for S corporations for which 75 percent of the corporation’s income is attributable to the services of three or fewer shareholders.

This loophole allows, for example, an individual lawyer or a lobbyist to set up an S corporation to make millions of dollars in fees and to not pay payroll taxes on nearly all that income. All he has to do is give himself a cash dividend from the corporation instead of paying himself wages. This is not a fair arrangement.

To be clear, not all small businesses are gaming the system in this way and are not permitted to game the system in this way. This loophole is not available to businesses that are organized as sole proprietorships or as partnerships. Those small businesses are paying their fair share of taxes.

By contrast, my approach is to allow the continuation of the low interest on student loans, my Republican colleagues have opted for a very different approach. They offset the cost by using the Prevention and Public Health Fund. In my view, this is a misguided approach. The prevention fund is not a slam fund, as it has been called by many. Instead, it is a fund used to help reduce chronic disease such as diabetes and heart disease and to fund immunizations. This critical fund is used to lower long-term health costs and improve health outcomes. In my view, eliminating this fund would simply increase health care costs in this country.

There are many young people in this country who will be working hard to get the training. They need student loans in order to be able to cover the costs of that training. That is why this is such an important debate.

Student loan debt has, for the first time in our history, surpassed credit card debt. Today this debt exceeds $1 trillion. The average college graduate leaves school with more than $25,000 in loans.

According to the Bureau of Labor Statistics, college costs at State schools are rising and have been rising at an alarming rate. These increased costs far outpace the increased costs of medical care. We are often giving speeches on this Senate floor about the high increase, the excessive increase in medical care costs. In fact, the cost of college for many students is rising even faster. The same thing can be said about gasoline. I see my colleagues rush to the floor as the price of gasoline begins moving up—and with good reason. It is a major burden on U.S. families and Americans everywhere. But the growth in these costs pale in comparison to the growth we are seeing in the cost of education.

The cost of tuition and fees has nearly sextupled since 1985. This is particularly troublesome for students from low-income families.

If we allow interest rates to double, there are 7.4 million students nationwide who will see an increase in the cost of their student loans beginning on the 1st of July. This has a direct impact on students and on families because subsidized loans are need based, and they are typically designed and focused on helping low- and moderate-income students.

In my State of New Mexico, about 40 percent of the specific number to which I have been given is 39,875 but about 40,000 students will see an increase in interest rates if we do not take action before the 1st of July.

This past Tuesday I spoke at a luncheon that was put on by a foundation that supports one of our community colleges in New Mexico. It is clear we have many students who are working very hard to make ends meet and to pursue those skills they need to earn a good wage, to pursue a constructive career. There are many areas of our economy where these types of trained workers are needed.

One area which is obvious is in my State and nationwide is in health care. We need to train more nurses. One statistic used in this talk last Tuesday was that over the next 8 years, between now and 2020, we are going to have to add 700,000 more nurses to the health care field to meet the needs of the baby boom generation. In addition to those 700,000, we are going to have to hire an additional 500,000 just to replace those nurses who will retire from the nursing profession. So we have 1.2 million nurses who are going to have to be hired in this country over the next 8 years. We need to train those people.

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In my State of New Mexico, about 40 percent of the specific number to which I have been given is 39,875 but about 40,000 students will see an increase in interest rates if we do not take action before the 1st of July.
There are nearly 10,000 undergraduates at New Mexico State University who will feel the effects of doubling rates and there are thousands of students at the University of New Mexico who will also see these increases.

This is the story of our smaller schools in New Mexico as well. The school I was speaking at last week was Eastern New Mexico University in Roswell. There are 222 students there who took out Stafford student loans during this current academic year.

The Department of Education estimates that the average student would pay as much as an additional $1,000 per year for their student loans unless we can keep this interest rate where it is. Not only would incoming students be affected, current students would also feel the increase as they originate a new loan for the new academic year.

The additional burden on our students would be substantial.

Students and families understand the additional cost in tuition. In the last few weeks, I have been hearing from constituents all over my State asking us to prevent this rate increase.

One student from Gallup, NM, wrote to me saying:

Give a break to the future of this country and to the millions of students and families who need the relief from the debt of college.

Another family from Albuquerque wrote to me saying:

I write to urge you to vote so that student loan interest rates DO NOT go up. In this recession, more than ever, people of all ages are depending on education as a means of gaining employment, and depending at least in part on student loans.

So our constituents are asking us to take action. By doing so we can continue to provide students with stability as they enter and complete their education.

A high-quality educational system unifies the educational interests of our students. We need world-class problem solvers and thinkers if we are going to remain competitive. By investing in American students, we can grow our economy and build the middle class.

Let’s move ahead with consideration of this bill. If a majority of Senators wish to change the way the bill is paid for, then we can consider that amendment. But we should not refuse to allow the bill to come to the Senate floor for debate and amendment.

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

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

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

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

A SECOND OPINION

Mr. BARRASSO. Mr. President, I come to the floor today, as I have week after week since the health care law has been passed, with a doctor’s second opinion about the law that I have great concerns with. I do that as a doctor who practiced medicine for 25 years, took care of families in Wyoming, was involved with programs aimed at prevention of disease, early detection of disease, and early treatment of disease. I come to talk specifically about a portion of the health care law that has been discussed quite a bit in the last week or two on the Senate floor.

Congress has talked a lot about the so-called Prevention and Public Health Fund included in the President’s health care law. When I looked at this health care law initially—and I continue to do so—I asked the question, is this health care law the best way to give patients the care they need, from a doctor they want, at a cost they can afford? I believe it has failed in so many ways to do that, which is why I continue to work to try to repeal and replace this health care law.

When we come to the specifics of this Prevention and Public Health Fund, the President and Democrats have claimed that the purpose of the fund was to promote wellness, prevent disease, and protect against public health emergencies. All of us want to promote public health and protect against public health emergencies. I know how important those things are as a doctor. I know how important it is to the point that for over two decades in Wyoming, I was medical director of a Wyoming Heart Association and Health Fairs, where we provided low-cost health care screenings to people all across the Cowboy State. It is a very important program. People have continued to write letters to me over the decades about the fact that going to a health fair and learning about how to prevent problems, about early detection of problems, and how they feel either they or members of their families have had their lives saved as a result of the health fairs and health screenings.

I continue to write letters to me over the decades about the fact that going to a health fair and learning about how to Prevent problems, about early detection of problems, and how they feel either they or members of their families have had their lives saved as a result of the health fairs and health screenings.

Senator ALEXANDER from Tennessee introduced legislation that would eliminate this slush fund and use the savings to maintain student loan interest rates at 3.4 percent.

Under current law, students who receive subsidized Stafford student loans will see rates increase shortly to 6.8 percent, unless, of course, Congress acts and is ready to say, whether you are Republican or Democrat, liberal or conservative, people generally agree that preventing this rate increase is an important priority. The difference is how do we pay for it.

The majority leader wants to raise taxes on small business owners. He says that is the better way forward. But there is a better way forward than raising taxes on the people who create jobs, at a time when we have over 8 million unemployed and last month’s job numbers are abysmal. Only 125,000 new jobs were created, but 3 times that amount of people quit looking for jobs completely. For every one new job, three people quit looking for jobs at all. To raise taxes on the people who are creating jobs in this country is the wrong way to go.

Senator ALEXANDER’s proposal stops the rate increase by eliminating this prevention slush fund. His bill uses the rest of the funding for deficit reduction. I have cosponsored that legislation.

I think it is also important to know that the President has already agreed to
to use his slush fund to offset other spending. In September of 2011, the President proposed reducing the slush fund by $3.5 billion. In February, part of the payroll tax cut signed by the President contained a $1.5 billion cut from his slush fund. Finally, in March, the budget year was cut by another $5 billion—cutting the fund by another $5 billion.

It is ironic that the President of the United States and Washington Democrats now oppose using money from their so-called prevention slush fund. If the Republicans and Democrats in Congress want to ensure that student loan rates stay low, they will cut this wasteful program and use the money to help the next generation of Americans.

We do know that young people coming out of college today are, on average, having a debt of about $25,000; and whether the interest rate is zero or 3.4 percent or 6.8 percent, they are still coming out with a huge debt, at a time when we know 53 percent of the people coming out of school can’t find a job or cannot find a job consistent with their level of education. We also read that 40 percent are going back home to live; some are returning home instead of going out into the workplace.

It is focus on the economic, on getting people back to work, and it is time to agree that we need to keep the interest rates low; that we ought to pay for it with money that is there, the interest rates low; that we ought to cut the fund by another $5 billion.

Mr. KERRY. Mr. President, later I want to speak for a few minutes about our colleague Senator LUGAR. First, I want to comment about what the Senator from Wyoming was saying on the health bill.

Very quickly, I could not disagree more with the Senator from Wyoming in his comments with respect to the health care bill. This morning we had a meeting with Secretary Kathleen Sebelius, who was outlining to us all of the gains we are making with respect to health care in America as a result of the legislation.

What is interesting is that our colleagues who are coming to the floor and saying repeal the health care bill never offer alternatives to Americans. I hope Americans who are buying into this notion that somehow the health care bill doesn’t serve them because they are angry about one thing or another. The health care bill does because, in point of fact, if you were to repeal the health care bill, and they have no alternative to replace it, here are some of the things that happen: One, you immediately add $2 trillion to the deficit. Bang, done deal. That goes right away on that. The health care bill is judged by the CBO to reduce the deficit. It has specific savings in it. If you get rid of it, those savings go away and, bang, the deficit goes up.

No. 2, 47 million to 50-some million Americans who have no health care or didn’t have it before the bill will return to the status of having no health care.

Now, does everybody in America think it is better to have 50-some million Americans walking around without health care who, when they walk into a hospital—perhaps they get hit by a car or have an accident and go to a hospital—receive care that everybody is paying for but they are paying for it in the most inefficient way possible? The burden is being paid for by people who have the health care. It goes into their premiums. It isn’t shared by people buying their insurance and sharing the risk. Have a bundle with a hospital, requiring greater accountability from hospitals. I mean, don’t we want greater accountability from hospitals? That will vanish. That will be gone if we do away with the health care bill.

Mr. KERRY. Mr. President, what is the parliamentary situation?

The PRESIDING OFFICER. Mr. KERRY, you may detain the Senate for a short period of time.

Mr. KERRY. Mr. President, what is the parliamentary situation?
primary physicians and the hospitals. Now there are a number of different pilot projects in place to help coordinate that. Similarly, we are coordinating the care of what are called dual eligibles—the people eligible for Medicare but also eligible for Medicaid. That care has not been well coordinated, so we have huge duplication, enormous costs we don’t need, and the result is a waste of money. All of that is being addressed and/or reduced to a significant level.

There are so many other examples. Let me cite another one. The Senator talked about wanting to take money out of preventive medicine. Preventive medicine? We are told by the doctors, who are the experts and who deal with diabetes, that if we had early screening, which comes by having health care coverage, we could eliminate an enormous amount—maybe as much as $100 billion—of surgery costs and dialysis costs, the result of people not discovering they have this ailment until it is too late for treatment by the more accessible and easier means. There are some oral medications and other things people can take to deal with this disease, to get them to the early stage. If they get there too late, they wind up having to do amputations of limbs or the patient winds up on dialysis, all of which is far more expensive.

There are also pilot projects in the health care bill for helping people receive care at home and not be forced into a higher priced care environment, such as a nursing home or a longer term care kind of environment. This allows them to receive care at home and be in the dignity of their own home and independent and, obviously, with much less cost. All of those things would be wiped out by this notion that we are just going to get rid of this bill. While this whole notion is built on the early negative branding—very effective negative branding—that took place and was wrapped around the so-called death panels and the other things, none of which are in this legislation. It is not in it. So this is political. That is why they call it ObamaCare, not health care. They call it ObamaCare to make it a pejorative but also eligible for Medicaid. That care has not been well coordinated, so we have huge duplication, enormous costs we don’t need, and the result is a waste of money. All of that is being addressed and/or reduced to a significant level.

Similarly, we are coordinating the care of what are called dual eligibles—the people eligible for Medicare but also eligible for Medicaid. That care has not been well coordinated, so we have huge duplication, enormous costs we don’t need, and the result is a waste of money. All of that is being addressed and/or reduced to a significant level.

The Senators had said he looks forward to going out and talking to the county about it because I believe that as the country learns more about it, in fact, they will say: Wow, that makes sense; that seems like a pretty sensible thing to do.

For our opponents who want to just get rid of the legislation, they have an absolute obligation to put the full deal on the table about what they are going to do in return, and not just Medicare, with the Ryan proposal—which makes it more expensive for seniors and undoes Medicare as we know it, not just that part of it—but the whole of it. How are they going to cover the uninsured? What will they do to take care of all those medical institutions that are struggling to teach doctors for the future? How are they going to hold those folks in a way that continues medical education in our country and pay for the Medicare to the Nation to answer those questions?

Mr. President, that concludes the portion of my remarks I wanted to make in response to the Senator from Wyoming.

HOW TO SENSOR RICHARD LUGAR

Mr. President, I wish to take a few moments to share a few thoughts, not about the results of the election last night in Indiana per se, but I do wish to talk about the consequences for the Senate of the loss of Senator Lugar as of next year and particularly for the Foreign Relations Committee.

It is no secret that Dick Lugar’s loss last night is going to be particularly felt by all of us who have had the privilege of working with Senator Foreign Relations Committee, whether he was the chairman of the committee—and I served under him when he was chairman—or whether as a member of the committee and the ranking member, as he is now and as I am privileged to be.

Whether we agreed with him or not, whether he had the gavel or he didn’t have the gavel, Dick Lugar had an approach to the Senate and to governing that was always the same. He was serious, he was thoughtful, and he refused to allow this march to an orthodoxy about ideology and partisan politics to get in the way of what he thought was the responsibility of a Senator and, indeed, the need of the country to have people come together and find the common ground. He dug deeply into some of foreign policy’s most vexing issues, and his expertise on complicated issues that were honed over 36 years really can’t be replicated. That is something we are going to lose—his institutional experience, the judgment, and the wisdom of the approach on some of those issues, such as the constitutional questions he would call into account when no one else would, the question of not being stamped by popular opinion with respect to the use of force in one instance or another. All of those are essential to making this institution live up to its full capacity.

Already since last night’s news, we have been hearing people on the left and on some of the news shows and elsewhere about the work of the Senator from Indiana on nuclear nonproliferation. It is no secret his Nunn-Lugar efforts have become almost shorthand for bipartisanship in foreign policy. He was the Chairman of the Committee and the ranking member, as he is now and as I am privileged to be.

What is astounding is that we spend something like, I think, $15,000 per patient in America. I think that is the average cost. There are countries spending half of that and a lot of countries spending around $1,000 a patient that, I am told to say, are getting better health outcomes than we get in the United States of America. The United States of America is not No. 1 in health outcomes for the money we are spending in the system, and there are a whole lot of reasons for that, but that is part of why this reform is so critical to our country.

I could say a lot more about this, but I am going to save that now. Every time we hear from people who are just talking now about how we have to get rid of the health care bill, we have to stand and make it clear to people why this bill is good. A lot of Americans have not thought about how this legislation works for them, works for the country, and will improve our system. Is it the cure-all—no pun intended—of the health care system? No, I don’t pretend it is. We will have to do more. We will have to tweak it. But it is a beginning step, with critical components that take 4 and 5 and 6 years to put into place so that we can get the full measure of their impact.

I will say this. We have it in Massachusetts. We have it now, and business is doing better. In fact, we have one of the best economies of any State in the country. I think the unemployment rate is now down around 4.9, 5 percent, somewhere in that vicinity. So we have this program. We have had it for a few years now. I had 6 percent of the people in our State are covered. It has been mandatory since the beginning, and it is working. It is beginning to bring down costs in the individual marketplace. The premiums have gone down by something like 45, 50 percent.

So I think we have to look at facts, as we do on a whole lot of issues here facing this country today, rather than continuing this silly talking past each other, completely contrived, political, ideological debate that is calculated to win power and not calculated necessarily to serve the best interests of our Nation. I hope we are going to engage on this over these next months, and forward to defending this health care bill because I think the bill is good for America. I think this bill, while it obviously needs some refinement, some changes, and some tweaking here and there, has accomplished an enormous amount already and is on track to accomplish an enormous amount going forward.

I think the administration has a much better story to tell about it than has been told, and I am glad the President has said he looks forward to going out and talking to the country about it because I believe that as the country learns more about it, in fact, they will say: Wow, that makes sense; that seems like a pretty sensible thing to do.

For our opponents who want to just get rid of the legislation, they have an absolute obligation to put the full deal on the table about what they are going to do in return, and not just Medicare, with the Ryan proposal—which makes it more expensive for seniors and undoes Medicare as we know it, not just that part of it—but the whole of it. How are they going to cover the uninsured? What will they do to take care of all those medical institutions that are struggling to teach doctors for the future? How are they going to hold those folks in a way that continues medical education in our country and pay for the Medicare to the Nation to answer those questions?
Pakistan, helping prevent their economy from unraveling and encouraging them to cooperate with interests vital to America—indeed, to the stability of that region—and to establishing what he called a “deeper, broader, long-term strategic engagement” with Pakistan.

I am proud to say, having gone through the personal journey with DICK LUGAR began before that, and I think it epitomizes who he is and why he will be missed. It has nothing to do with ideology.

Back in 1980, shortly after I came here—I was elected in 1984, and I started on the Foreign Relations Committee in 1985. Right away, we began to work together on the issue of the Philippines, free and fair elections in the Philippines. I had traveled over there a number of times as a freshman Senator. I had met with Ferdinand Marcos.

I was concerned about the torture taking place and the political prisoners and other violations of rights. Yet we were also discussing how we could stand up for our values and our standards.

Well, DICK LUGAR joined me in that effort. He didn’t have any reason to join with a freshly minted Senator, wet behind the ears, but he did. Together we became a team that started to focus on the Philippines to figure out how we could hold Marcos accountable. He was serious and he was fair-minded, and I saw firsthand during our trip to the Philippines which we made during the election year. We had done a whole lot of groundwork to set up an accountability system for that election—that he had a very personal and special understanding of what the United States meant to the rest of the world with respect to our values. That cause animated this man whom we all know is dignified and reserved and humble but who proudly came back and recounted with some animation to President Reagan the difference that the United States of America makes when it gives voice to people’s aspirations for freedom—and, in this case particularly, the people of the Philippines.

The fact is it was that discussion with Ronald Reagan and the results that came out of the accountability in that election that forced Ferdinand Marcos to leave and we saw Cory Aquino come to power and the Philippines move back into genuine democracy.

I saw the same commitment with Senator LUGAR a number of times over the years, but never more so than 2 years ago when we worked together on the New START treaty. His wisdom and his patience was invaluable in laying out the case, particularly in building support across the aisle so we could find the path to 71 votes.

I said then, and I say it again today, given the bitter, divisive, partisan, continual political squabbling that seems to dominate life in the city today, 71 votes is probably the equivalent of the 98 votes we used to get on those kinds of efforts. So I am grateful to him for his willingness to work to do that. He worked to give Members more time to work through problems, to find a way to solve individual objections. It reminded me of the way you actually work in what is now sometimes, unfortunately, sarcastically referred to as the “good old days.”

He deliberated and he helped us deliberate.

I thought it was one of the finer and prouder moments of the Senate in recent years.

I am confident DICK LUGAR’s record in our committee is going to be one of those which is remembered for a long time. Sadly, last night it was remembered in the context of Senator Fulbright, who also came to lose a primary in the end and paid a high price for his concern about global affairs and his involvement with those issues. But I think he is also remembered significantly for the enormous legacy he built about American foreign policy and how to make that work. He deliberated and he helped us deliberate.

That is actually about as fundamentally, philosophically, as conservative as one could ask for. I think every one of us who have seen the difficulty of the last few years of our politics, who have been frustrated by the sheer inability of the institution to work, would agree there is nothing liberal or conservative or moderate about what DICK said. It is just common sense about how human nature works, about how people work. It seems to me we would do well to get back in touch.

Dick Lugar was often heard people say how we need to change the rules here in order to get something done. Actually, we don’t. These are the same rules we operated with when Everett Dirksen was here, when Bob Dole was leader, George Mitchell was leader. But we got things done.

In the 1990s, we balanced the budget of our Nation four times in a row without a constitutional amendment. It didn’t take a piece of paper to tell us to do it or new words written in the Constitution. It took common sense and courage of people on the floor of the Senate to do what was right. We don’t have to change the rules. We have to change the thinking—or change the people who don’t want to do it.

But every great moment in this great institution, when people look back at the history with pride and point to the Missouri Compromise or point to Henry Clay or Daniel Webster or all the ways that Senator LUGAR, more recently and others on the other side of the aisle—when they do that, they are talking about people who operated by the same rules but found the common ground because they had the intelligence and willpower to put the country and its interests ahead of everything else.

So that is what DICK LUGAR’s loss last night means to us. I don’t know who will replace him. We certainly know he is not the cross-over leader of the campaign, and we certainly know what Senator LUGAR himself chose to say last night about his opponent’s quest for more partisanship, not less.

So the alarm bells have been sounded. My prayer is that this election year is going to help purge this country of this incredible waste of opportunity that we are living through.

This Congress isn’t over. For those of us who were here and remember 1996, it bears repeating that even in Presidential years the Congress can actually defy conventional wisdom and get some things done. That is why I know that DICK LUGAR is going to finish out his
sixth term in the Senate with the same determination and effectiveness that has marked every year of his service. He is going to have a lot more contributions to this institution that he reveres and that respects him so enormously.

The PRESIDING OFFICER. The Senator from Illinois.

Mr. DURBIN. Mr. President, first I thank my colleague and friend, Senator KERRY, chairman of the Senate Foreign Relations Committee, for coming to the Senate floor and speaking about our mutual friend and colleague, Senator DICK LUGAR, who serves as the ranking Republican on the Senate Foreign Relations Committee.

I am a newcomer to that committee, but I am not a new comer to my knowledge of DICK LUGAR—who preceded my arrival in the Senate 16 years ago when he was well known throughout the Midwest for his extraordinary service as mayor of Indianapolis, where he did something miraculous—he combined and made more efficient local units of government, and I think the rebirth of Indianapolis is attributed to those early steps by DICK LUGAR.

My wife Loretta and I came to know DICK and Char personally through the Aspen Institute, which is an effort that I think we need to encourage where members of both political parties, House and Senate, come together to discuss foreign policy issues—no lobbyists, no special interests. DICK LUGAR was there and always a major contributor when it came to issues of importance.

Before I arrived in the Senate—while Senator KERRY was still here—he teamed up with Senator Sam Nunn to actively engaged in our State, going back and forth, county to county, city to city. We worked together on a bipartisan basis to deal with them.

Time and time again throughout his career DICK LUGAR has focused on issues of strategic importance to the United States and our security. I can’t agree with Senator KERRY’s close personal friend—Senator Kennedy. Senator Kennedy’s success has always reached across the aisle. I noticed that. Sometimes to the frustration of those on the Democratic side who said: We have enough votes, Ted. We don’t have to do this. He would reach across.

Of Bob Byrd, who used to sit right next to where Senator KERRY is sitting now, we think: What will the Senate be like without these great lions? Well, the Senate will go on. But the question is, Will we have learned from their example? Will we take their lives and their careers to build on to make this place better? Have we said, are we going to succumb to the temptation of just making this place more partisan, more hidebound, more dedicated to obstruction than moving forward?

I know that DICK LUGAR in the remaining months is going to be an extraordinary servant to the people of Indiana and the Nation as he has been throughout his career, and I look forward to seeing him back on the Senate floor working, as he will, for the remainder of his term. But this loss of stroke is a loss to the Senate that he is leaving, and it is a sad day on both sides of the aisle when DICK LUGAR won’t be part of the Senate in person.

TRIBUTE TO SENATOR MARK KIRK

I would like to speak about another Republican Senator while I have the floor: my colleague, MARK KIRK. Some of you have seen the video.

MARK had a stroke in January. He wrote about it in this morning’s Chicago Tribune. He is 52 years of age, the picture of health, a Navy Reserve officer and a U.S. Senator from Illinois, actively engaged in our State, going back and forth, county to county, city to city. We work together on so many things. Then on that fateful day he was stricken, and with this stroke he suffered some very serious damage.

I was a little bit disturbed when his physician/surgeon came out and said, “Well, here is what we can expect.” And I read through all the graphic details, but they were all sobering to think that he would be limited in any way by the stroke. I was upset because I thought: He doesn’t know MARK KIRK. That isn’t going to happen. MARK is going to fight back. He is going to be back, and he is going to defy the odds in terms of stroke victims.

Yesterday he released a video. It is inspiring. I hope everyone gets a chance to see it. I am sure it is readily available—showing him going through rehab, showing the efforts he is making to come back to the Senate. MARK called me earlier this week. We talked on the phone a couple of times since the stroke. He has been actively engaged mentally in everything we have done since the stroke occurred. But every day he tells me that he spends time on a treadmill, miles and miles walking on a treadmill here, and he will be able to come back. I told him we were on a different treadmill here and I am sure he wants to get back on it with us in the Senate.

He will be back. He said something I think we all ought to remember. He said he asked the staff to count the steps from where he would park outside the Senate Chamber up to the Senate Chamber. They counted the steps and they told him 45 steps and he would be back in the Senate. He said the day is going to come, and I am sure it will be soon, when he will walk those steps, and there will be many, myself included, from both sides of the aisle, cheering his return to the Senate. For MARK, his family, his doctors, his medical staff, and all: This is a battle. Thank you for your efforts on behalf of our State. We look forward to your early return.

MARK and I have a joint town meeting, Republican and Democratic, every day of every morning sit there politely as we discuss issues and love it when we disagree because we do it without getting angry with one another. He will be back soon, not only at those meetings but also covering the State of Illinois as an effective, engaged Senator.

Mr. President, I ask unanimous consent that the time from 2 p.m. until 5 p.m. be equally divided and controlled between the two leaders or their designees, and that all quorum calls in that period also be equally divided.

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

The Senator from Maryland is recognized.

Mr. CARDIN. Mr. President, I take this time to urge my colleagues to allow us to move forward in the consideration of the Student Loan Interest Rate Hike Act so we can allow the interest rate on student loans to remain at its current level rather than doubling, which will happen on July 1, unless we take action. I come to the floor to express the views of many Marylanders with whom I have talked about the cost of higher education. We look at countries with whom we compete and we look at the cost of higher education in their country compared with what our students have to endure, and we start off behind because of the enormous cost to family and college education for their children.

We know how important it is. You need to have a college degree in order
to be competitive in many fields today. That number of fields is increasing every day. Let me tell you, we have crossed the $1 trillion mark in debt held by families in order to afford a college education. Two-thirds of that debt is held by people who are under 30 years of age. Here they are, trying to start out in life, trying to have a family, trying to buy a home, and they have this large amount of debt.

College credit card debt in America. It is not unusual for a person graduating from a college to have $20,000, $30,000, $40,000, $50,000, $100,000 in debt, and even higher. If we do not act by July 1, the interest costs will add another cost of thousands to that already burdensome amount.

The cost of a college education in America is too expensive. If we want to be competitive, we have to get the cost of a college education down. The President wants to go in the United States and talk about ways in which we can encourage colleges and universities to be more affordable for the American public. But one thing we can do is to make sure that the cost of borrowing is not increased. That is why it is particularly important that we pass this legislation.

It is affecting family decisions as to what schools children will attend because of the high cost. We are just turning our economy around, starting to make our recovery, and now families are struggling to figure out how they are going to be able to afford a college education. We need to reduce the costs, not increase the costs, to families. We need a trained workforce. We need to be competitive internationally.

Let me tell you what else it is affecting. We have some very talented people who are graduating from college and they want to go into the fields where they are gifted, where they can make a real contribution to our communities, to our society, to make a difference, to answer that call of community service. That is what they want to do. But when they are saddled with this much debt and if it becomes more expensive to pay off that debt, they have to make a pragmatic decision about their career path rather than following where they can make the greatest contribution to society. That is how these large debts and the cost of paying off that debt are affecting our country.

You might have a great researcher who can find the answer to one of our diseases who can keep a healthier society, a person who may want to go into research, but they know what the return of research will be when trying to pay off their college loans. If we do not act by July 1, that will be even larger.

That is why we are considering this. That is why it is so urgent, that is why we need to be considering this legislation rather than be stuck in this filibuster.

I urge my colleague to move forward. Let’s do what the Senate should do—consider amendments and get this process going. It is absolutely critical to our entire country.

Let me talk a little bit about my experiences with Marylanders. I have traveled the State of Maryland. I have talked to a lot of our college students. I will generally talk about a lot of different subjects and then ask what is on their mind. They will talk about the cost of college and they will talk about the fact that we need more grants. They talk about the fact that we need more affordable loans. They certainly will tell me if you are going to increase the interest costs on their loans, that will have an impact on their ability to stay in college, on their ability to follow the career choices that they want to in life.

Let me share with my colleagues the stories of two Marylanders who have contacted my office, who have contacted me in the last few days to tell me that this bill we are hopefully going to be able to consider will have a direct impact on their decisions.

Katherine Eames is a 22-year-old single mother from New Jersey. She is a full-time student. She is attempting to make a better future for herself and her son. She is attempting—she is going to be a full-time student. Katherine also works part time at a minimum wage job, all while juggling her responsibilities as a single mother. Student loans are necessary, but it is not easy to take out this student loan. That is the only way she is able to afford her college. She has student loans in order to be able to stay afloat and realize her dream of making a better future for herself and her son. If student loan interest rates were to double, Katherine would be in a financial turmoil and her future aspirations in jeopardy. Let me quote from Katherine. This is what she says. I think it is so telling.

I want to be able to close my eyes and see a bright future for myself and my son. However, if these interest rates increase, all I see from this point forward is a hole I don’t think I’ll ever be able to climb out of.

I know some of my colleagues say we are talking about another 3-percent interest charge, people will be able to afford it. But let me tell you about the real world, the world of Katherine Eames. That is the real world. That is people making career decisions now as to whether or not they will follow their dream; whether she will become a nurse, be able to help her community, help her family, help herself. If we do not make college affordable or if we add additional costs to it, we are going to add more people to this process. As a society, America’s competitiveness will suffer as a result. We need to do better. We need to pass this legislation to help the Katherine Eameses who are out there.

Let me talk about another Marylander, Ariana Fisher. She wanted to be a doctor since she was 5 years of age. Through hard work and determination, she has been accepted to Georgetown University’s medical school. Attending will require her to take out a significant amount in student loans. That is the fact for most American families, their children will have to take out loans if they are going to be able to reach their dreams. She says spending $8,000 to $10,000 a year in interest is not unique. I am certain you would find similar examples of people who desperately need us to act so college costs do not increase. Then let’s work together to bring down the cost of college education. College and postsecondary education are a vital means for the future of this country.

The stories I related with regard to Katherine Eames or Ariana Fisher are not unique. I am certain you would find similar examples in New Mexico or any other State in this country. You are going to find similar examples of people who desperately need us to act so college costs do not increase. Then let’s work together to bring down the cost of college education. College and postsecondary education are a vital gateway to helping American students around the country to achieve the American dream.

We need to stand for our Nation’s future. We cannot allow higher education to become unaffordable for millions of Americans who have the desire and ability to learn and succeed. Let’s end the filibuster. Let’s work together as Democrats and Republicans. Let’s keep America’s future in mind. Let’s keep the American dream in mind, let’s allow Americans to reach that dream by making college education affordable. Let’s pass the legislation that is currently pending that would stop the increase in the interest rates on college loans.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

The PRESIDING OFFICER. The Senator from New Jersey.
Mr. LAUTENBERG. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

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

Mr. LAUTENBERG. Mr. President, we are aware that the cost of higher education once again has a chance to view the differences in thought and perspective which are exhibited at this moment in this institution. Today, we are talking about college education. We are talking about programs for young people to get an education and go to college.

For generations, affordable college education has been an essential tool for providing opportunity and building a strong society. I know from personal experience that government plays a critical role in making higher education possible. I served in World War II, and when I joined the Army there was no prospect for me to go to college. I was 18 when I enlisted. When I finished my service—having been in Europe during the war—things looked bleak, but there was an opportunity that loomed in front of me, and that was an ability to attend college.

My family was faced with poverty and they didn't have very much money in the family, but there was something called the GI bill. The GI bill gave me a chance to achieve a dream. I joined with a couple friends to form a company. The company was called ADP. The company that produces the labor statistics every month that this country and the whole world sees. When I was able to start this company with two other fellows, none of us had any money. The two of them were brothers, and we didn’t have any resources at all. We had to start from nothing. In the days that we had a chance to get going, the future was brightened a little bit by the fact that an education was possible to have. That opportunity started with nothing, and today employs more than 50,000 people around the world.

The country invested in my generation by helping us pay for college, and that investment helped create decades of prosperity. As a matter of fact, the generation—post-World War II—was called the greatest generation ever seen in American history. Out of 16 million people who served in the Army, 8 million people got a college education through GI bill and other programs that came together. That generation that came out started us on a track for prosperity this country had never seen. The investment the GI bill made in people says that when we have a chance to educate people and get them to go to college or to attend a university, that is the way we create the next great generation.

Attending college has never before been this expensive. The cost of tuition at public universities is 37 percent more expensive now than just 10 years ago. That means that the average cost for a college 10 years ago was $40,000, it now costs well over $50,000. As a result, more and more students are taking on massive loans that will plague them for years. I use the word ‘plague’ because it is very difficult to get started in life, in business or start a family and be facing heavy debt at the same time.

Sixty percent of New Jersey students graduate with loan indebtedness. The average loan burden for New Jersey graduates is more than $32,000. No wonder we hear that technology companies are hungry to hire but can’t always find people with the education and skills they need. The skyrocketing costs alone puts college out of reach for too many people.

And the clock is ticking on even higher college costs. Unless Congress acts, interest rates on many student loans are going to double on July 1—less than 2 months from today. For many students, doubling rates will cost them $1,000 more for each year of college.

But instead of standing with students, our friends on the Republican side are playing politics. They made it clear that keeping student loan rates low is not a priority. They don’t see it as something being worthwhile. Two Republican Senators have introduced legislation that would allow student loan interest rates to double.

Yesterday, we saw 44 Senate Republicans vote to prevent the Senate from even considering our bill to keep student loan rates low. How heartless. How thoughtless. It is to publish our country this way. College is already too expensive. Why would we put up obstacles to getting an education?

Republicans should listen to people who are suffering from the high cost of college. There have been 1,400 people or Facebook to say: Don't let them do it. Don't let them double my rates.

A single mother from New Jersey who is helping her daughter pay for college is now incurring massive loan interest rate increases, which would create enormous hardship and an inability to continue to provide for the family. Another New Jerseyan says America will not be able to compete with the rest of the world if college is accessible only to those who have the ability to pay for it up front, and I agree. We will not be able to compete if we don’t have the educated people necessary to fill the jobs that are available.

Our Republican friends say they want to prevent the doubling of interest rates. So why don’t they step up to the plate? I don’t understand that. They say one thing on one hand: Oh, yes; we don’t want to increase the rates. On the other hand, they say we are not going to help keep them at the lower rate they are now. They say in order to pay for keeping rates low for students, we have to cut vital funding for programs that keep people healthy. Their bill would slash funding for prevention and programs that are dedicated to stop devastating diseases before they occur. Chronic diseases, such as cancer, heart disease, and diabetes, take more than 1 million lives every year and account for 75 percent of our Nation’s health spending. That is why the Prevention and Public Health Fund has invested $226 million to reduce chronic illnesses.

The President’s budget also calls for using this program to protect women’s health by providing breast and cervical cancer screenings to low-income women, but it won’t happen if Republicans get their way.

Republicans also would also cripple programs that keep kids from smoking and help smokers to quit. We have all seen the ads—real people telling real stories about how tobacco has affected their lives. This chart tells the story: “Don’t be shy about telling people not to smoke around your kids.”

We see a picture here of a mother and a child. Republicans don’t care about educating people on the dangers of smoking? Who are they protecting here? Certainly not our children and certainly not our society.

It is unconscionable. Republicans profess they want to keep loan rates low but only if we sacrifice programs that protect children from smoking addiction and help women avoid breast cancer and other deadly diseases.

The Democrats have a better solution. The bill Majority Leader Reid has introduced pays for keeping student loan rates low by eliminating a tax preference that millionaires and billionaires use to avoid paying taxes.

Rather than choose to close this loophole, the Republicans choose to take this opportunity to talk our bill to death. They would rather see interest rates double for students than force the wealthy to pay their fair share of the country’s obligation.

Student loans open the door to opportunities. Interest rates have to be kept low to protect graduates from a mountain of debt. The Americans I met on my professional experience again, if I might. I finished college. My father passed away while he was in the Army. He was only 43 years old. He left my mother a 37-year-old widow to care for herself and my sister. As luck had it, I got an education at Columbia University, at the business school there. I started a company I mentioned before called ADP. It provides services across the world for those companies that need help in doing their payroll, accounting, and other services that companies must do. It only happened because we were able to get our education through the GI bill. There was zero cost to those of us who served in World War II and even some money to pay for books and for other necessities.

I was able to go to a good college to get an education. I made a contribution to this society as well as to myself, and I am grateful to everyone who helped America’s ability to deal with the competition we see in the world. It is time to do that.
I am not suggesting that our Republican colleagues don’t want progress. They do. But when we try to move a bill that says: Keep interest rates low on college loans, keep the rate low so that when people get out of college they are not burdened by debt that they can’t get started in life, I may keep them low so that America competes as it should—right at the top of the ladder with educated people, people who want to succeed but don’t have the tools necessarily until they finish their college. Why put obstacles in the way? It is incomprehensible because there are a lot of good people on the other side. But why do they persist in obstructing the opportunity to even discuss it? They want to filibuster it to death. Flibuster, for those who don’t know the term, means talk, talk, talk, talk—do anything but make progress.

So I hope we will say to those who have been successful. Do your fair share contribution to the well-being of our country educate those who can learn and not make it so expensive, so out of reach that few will be able to take advantage of it. I ask to please move this bill along. Let’s do something for those people at least know what we think about this legislation to keep interest rates low.

With that, I yield the floor.

The PRESIDING OFFICER. Mr. President, first, I ask unanimous consent that immediately

Mr. ENZI. Mr. President, I have been listening to these speeches for the last couple of days—3 days, actually. If one listens to the other side of the aisle, one would think Republicans are against college education. I don’t think there is an America who believes that. One would also believe we want to raise the interest rates from 3.4 percent to 6.8 percent. There shouldn’t be anybody in America who believes that either. We really think that for 1 year the rates on subsidized Stafford loans ought to stay at the 3.4 percent, and maybe beyond that.

The real issue isn’t the interest rate, and we can tell that from the speeches that have been given. The real issue is the cost of education. Are we doing anything to do something about the cost of college? No. Does Congress have anything to do besides debate this particular issue? Evidently not. We are being called a do-nothing Congress, but evidently we don’t have anything else to do. It could be possible to go to something else, but instead we have had one vote on this, and we still weren’t given an option for this side of the aisle to have a vote on our idea. So now we are going to get to vote on that same issue from Tuesday once again. So when do we get something done, maybe by the middle of next week or maybe not until next week. Instead, we are going to stay right on this issue so that if we stay at exactly this point in this issue, it will fail again and then that side can say: Oh, those Republicans just want to raise interest rates. Not true.

I hope the American people have noticed that any bill that goes directly from the President to the floor doesn’t pass. A bill that goes to committee, regardless of where the source is, has a chance of a bipartisan solution.

I am the ranking member on the Health, Education, Labor, and Pensions Committee, and we have a user fee bill that passed nearly unanimously out of committee. We have the support of the stakeholders. We have the support of the companies. We have the support of Senate Republicans and Democrats. We have even talked to the House people about it. It is a bill that ought to make it through here pretty quickly, and I suspect it will. When it does, I bet we don’t hear any comment about it because that would make us look like a do-nothing Congress, which is what we ought to be.

My colleagues can’t tell me this is the only issue that needs attention. Yet we are going to spend a whole week on this issue when both sides agree it should be at 3.4 percent. What are we disagreeing on is how we will pay for it. I have to tell my colleagues that the real answer isn’t either side’s answer, but it could be worked out if it went to committee.

I was told this was going to be a bipartisan, jointly discussed issue just before we left for the recess. Then this bill was put forward, and no further conversation was allowed on it. Our committee was left out of it. And we bring it to the floor, and they said we will have a fair and open debate. Yes, look at this—there are two of us on the floor, and he is waiting to speak and he is not listening to what I am saying, and there isn’t anybody else listening to what I am saying. I don’t think I might be back watching the television and picking it up there, and I certainly hope they are.

Where we get the real discussion is in the committees. Small groups of people who are intensely interested in the issues come to those committees and work it out. Senator HARKIN and I will get amendments a couple of days before the bill is to be marked up in committee to find out what everybody’s ideas are for how it ought to be changed, and we sit down and we look through those and we say: Well, look at this pile here. They are all pretty much the same amendment, but there are people from both sides of the aisle who are interested in it, so why don’t we just get those four people or those two people or those five people together and see if they can’t work something out. It is really surprising because they usually can come up with a few changed words that solve the problem of which they are interested. That is the way we get things done. That is not the way we are operating on the floor.

I am on the Finance Committee. The Finance Committee is supposed to be handling taxes. Let’s see. How many markups have we had this year? I don’t think we have had a single markup. We have not looked at a specific bill and come up with a solution in committee. Nothing has been assigned to that committee to finish.

Do we think we have any tax problems in this country? I think so. We keep talking about tax reform, but we did not do anything on tax reform. Instead, we are talking about the interest rate on college student loans. It is extremely important to the 40 percent of the students who have a subsidized loan who are going to be protected by this. It is extremely important to us. We keep talking about college and the cost of college, but are we doing anything about the cost of college? No, we are not. That should be disappointing to America. We ought to be covering the big issues.

I asked this of a bunch of hearings, and I asked for those hearings to be on the cost of all college education. Instead, what we did was beat up on private for-profit colleges. We did hearing after hearing after hearing, and there wasn’t anything else. We did that because I know at least one of the witnesses called in to testify fell short in the market and was able to run down the colleges and thus make a lot of money off of his testimony. That is not what we are supposed to do. We could have looked at all college costs and found some ways to drive down the price of college, but we didn’t do that. So now we are standing here and saying: Those darned Republicans aren’t interested in the cost of college. How wrong can you be?

We started this debate on Monday. We voted on it on Tuesday, and then we decided we would reconsider the vote. That means the pollsters said that this debate was good and it might be good role of the aisle, and if they can drag it out longer, they can do better. That is not what Congress is about. Congress is about solving problems.

There are two sides to this, and in the debate earlier, I said that if we would just allow a side-by-side so that you get a vote and we get a vote, we could get something done and move on. The Senator from Iowa, Mr. HARKIN, said: I would let us do a side-by-side. It is not the same. Is it not the same? The idea is saying: You were offered a side-by-side but you did not take it. Not true. We were offered an opportunity maybe to put a substitute amendment in at a future time—maybe. That is not the same. That is not the same as getting the same kind of a vote on the same kind of an issue. And that is always what has been done. We have always allowed side-by-sides. But not on this one. We would rather have the debate going on and try and convince America and the other side of the aisle are doing the wrong thing.

Not only are we giving the impression that we are a do-nothing Congress,
we are giving them the impression there is nothing for us to do. Let’s see. We did not do a budget and we have not done any appropriations bills yet, and there are 12 appropriations bills that have to pass this body, and it takes at least one week for each appropriations bill. We have to do an audit of every corporation for defense which we debate each and every year, and about 100 other issues that need to come up here. But instead, we are not voting this week, except the earlier vote on this particular bill and another vote on a small business bill. There keep doing the same thing, you ought to expect the same kind of results.

One of the reasons we are voting against the bill that is on the floor is it has not been to committee so it has a lot of flaws in it. This is a poorly drafted bill. Here is kind of how it works: We have said that dentists and doctors and other professionals who are in small corporations—we are picking on small business here—are cheating on their personal tax form the minute they are not paying a payroll tax on their dividends.

There is a law against that, and the IRS can enforce that law, and does enforce that law. The examples that have been given are times that they actually caught people doing that and they did it and won. But to do an audit on this, it would probably take a maximum of 30 minutes of computer time to find every small business corporation that might be cheating on their payroll taxes. We are doing that and going to use it as a pay-for, and we are saying it is only doctors and dentists and lawyers and accountants and other professionals who are doing this.

Well, there are a whole bunch of people who have small business corporations. Small business corporations are an important way to finance small businesses, and it is a little less complicated than the big corporations. But we usually do not pick on them specifically, and do not separate them into separate groups. This one is just the professionals. It does not cover the rest of them.

I asked the question earlier. I said: Does that mean you are saving the others for a pay-for for something else? If there is a problem, we ought to solve the problem. But the problem can easily be solved by the IRS by doing the proper job of auditing, if that is the case. But these small business corporations are declaring that a lot of their profit goes to them.

Here is an interesting part: We are not talking about the income tax they pay on that. They are having to pay the income tax. Unlike a big corporation, they are paying the income tax on their profit not to the minute it is earned, but when it is actually distributed.

Most of the small businesses have to pay the tax on it but leave it in the business so they can grow their business. I have been there. I have had a small business corporation. I know, while you would like to take the money out, if you want your business to succeed, you have to keep reinvesting and reinventing. That means you do not get to take the money out. If we were being fair, we would say anybody who makes over $250,000 in dividends a year would include that as part of payroll. In Warren Buffett’s case, this is another Warren Buffett thing. How many millions do you think he makes in a year that come into him as dividends? If those did not count as dividends, he would have to pay a Medicare percentage tax on those dividends. That is what we are talking about here with the professionals whom we are going to discriminate against in a bit. We are saying that anything that counts as a dividend for them, they are going to have to pay the Medicare tax on. Why just pick on the professionals? Why not pick on all small businesses?

Of course, small business is the job creator for the country, so we should not be picking on any of them. We should be making sure they are paying the proper job of auditing, if that is the case. That is not what we are doing. And we are saying Warren Buffett is a special case out there, even though we like to talk about a Warren Buffett tax every once in a while, but we are not going to in this case.

What we are talking about is the tax that would be for Social Security and Medicare. If they are not paying that, they ought to be paying it. But we are saying that is a good pay-for. How the President thinks we can take the money that is supposed to go to Social Security and Medicare and spend it on something else and hope Social Security and Medicare continue to exist? That is what we are doing here. We are saying we are going to take the money from the doctors and the dentists and other professionals and we are going to make them pay a Social Security tax and Medicare tax, but we are not going to put that into Medicaid. If you are going to have Social Security, instead, we are going to give it to college students so they have a reduction in their loan.

It is kind of interesting. The Department of Education borrows their money at 2.8 percent, maximum, and they are loaning it out to college students at 3.4 percent for subsidized student loans and 6.8 percent for unsubsidized student loans. The law says that on July 1 it is supposed to go to 6.8 percent for subsidized and unsubsidized student loans. Where do you think that profit goes? Well, we already spend that on other projects. That is why it needs to go to 6.8 percent, so we can pay for what we promised we would pay for. But if we freeze the interest rate on subsidized loans at 3.4 percent for one-year, we still have to pay for the other things. So what we are going to do is, we are going to take money that ought to go to Medicare, and we are going to give it to college students.

We want to make sure the rate stays at 3.4 percent. But this body, debating back and forth, without getting any votes, is not going to resolve it. Even if we got to do an amendment or two—that is a big deal around here: to get to do an amendment or two on the floor—we still would not be able to resolve it because we would not have gotten the people from here and the people from the House to agree to work on a solution. That is what the leader ought to be doing. That is why you send things to committee. But we are not doing that.

The other side has assured me that even though we are not putting this money into the Medicare trust fund, that the Medicare trust fund will still have all of its money. Let me tell you how that works. As an accountant in the Senate—and there are only two of us now. For 15 years, I was the only one. But there are two of us now. Here is how it works: When the money comes in, a bond is put in the Medicare drawer that says the Federal Government owes Medicare that amount of money. But we go ahead and spend the money.

They say: Well, this trust fund is still intact. No. It only has debt in it. It does not have money in it. I discovered that trying to get some money out of a bond that I owned. That is, you cannot get it out unless you put money in. What kind of bank account is that? What kind of a trust fund is that? That is what Social Security and Medicare are. They are a bunch of bonds in a drawer, saying it is there, but you cannot get it out unless you put money in. Which side is saying all is well in the world and everything is paid for.

Our side has said, there is a health care slush fund and there are not any criteria set up on it. There are some broad categories it can be spent on, but there are no real criteria on it, and it has more than enough money to pay for this. The only person who gets to decide how that money is given out is the President himself. The way we are spending, we may not be able to be good for that. People ought to be concerned about that.

So that is where we are. We are talking about taking the Medicare money and the Social Security money, putting bonds in a drawer, using the money, and saying all is well in the world and everything is paid for.

Our side has said, there is a health care slush fund and there are not any criteria set up on it. There is a lot of money coming in—maybe at least $2 billion every year allocated to that, and there is already money in that fund, as it started on day one. I think was actually $80 billion over the life of the health care bill. The President himself has helped himself to that when we did the payroll tax holiday extension. That is where the money came from for that. Do we say: Why don’t we use that again? That is supposedly real money. But one thing that both sides are doing—they are saying: OK, we are going to freeze the interest rate for 1 year, but we are counting revenue that is supposed to come in for 10 years.

How many people in America can say: I am going to have this salary, and I might have it for 10 years, but I need...
to spend it all this year. If I spend it all this year, how do I live the other 9 years of the time? That is what we are faced with every time we do a 10-year receipt of money in exchange for a 1-year spending project. And we are doing that more and more and more.

But, again, under our accounting system, that does not go down as the same kind of liability and debt situation that increases the debt ceiling or increases the debt for the country. So it is a way to cleverly use to the revenue that it is not honest with the American people.

Yes, I am upset we are spending all this time on this reconsideration of a vote that we had. When you do not make any changes, you can expect the vote to come out exactly the same. But it allows us days to harangue each other, and that is the wrong way to do it.

I have asked the leader to pull this bill down, send it to committee, give them unlimited amount of time to work on it, and see if they can come up with a solution that both sides would like and one that does not have a lot of loopholes in it.

Loopholes? Well, when we are talking about business corporations for doctors and dentists, et cetera, we said: If they make more than $250,000 a year and if the small business corporation has three stockholders or less, I do not think they are cheating anyone that this money would come in. But if they are, I can see the wheels turning out there and people saying: Let’s see, I have three people in my corporation. Oh, my son is not in the corporation yet, so we will make that a fourth one. When we get the fourth person in the corporation, we are exempted from this.

How much money do you think is going to come in through that proposal? That is what can be worked out if it goes to committee. So, I again ask the leader to send it to a committee, give them unlimited amount of time to work on it, and see if they can come up with a solution that both sides will like because both sides said the interest rate ought to be 3.4 percent for the next year.

Then we ought to take a look at the cost of all college education. As all the people have said, college is important. Education after high school is important. Let’s get this thing to committee and get it resolved and get on with some of the issues we need to be working on—some of the issues that are big money that affect all of America, not just 40 percent of the students at about a cost of $7 a month.

So with that plea, I yield the floor.

The PRESIDING OFFICER. The Senator from New Mexico.

Mr. UDALL of New Mexico. I thank you for the recognition, Mr. President.

Let me say, I have been sitting here listening to my colleague, the Senator from Wyoming, and I think he makes some good points. I think we do need a more open process. I think we need to try as much as possible to work with each other in the committee process. I do not think there is any doubt about that. I think we need to allow germane amendments and have a good, round debate on the bills that are on the floor.

But what I want to talk about today is the fact that we are in a filibuster. Fifty-two of us wanted to move forward on this bill and 45 of us did not. That is why we are locked in this situation.

I rise with regret today, and there is much to regret about yesterday’s vote on the student loan bill. First, I regret the false choices between helping students or funding preventive health care. Most Americans support student loans. Most Americans see the value of preventive health care. Yet my colleagues on the other side of the aisle would ask that we sacrifice one for the other.

An affordable education should not be held hostage to cuts in preventive health care. That is not a choice; it is an ultimatum.

Have we come to this? We teach our children about goals, to set priorities. It should surprise no one that they seriously question our goals, our priorities. It is like a bus heading toward a cliff. We can turn it around, and we ought to be able to do so without throwing students underneath it.

The other side says they care about our Nation’s students too. Perhaps, but there is caring, and then there is devotion. Once again, their devotion is for the wealthiest among us and not for the millions of students who are worried about how they will pay for their education.

Back to choices. As any bright college student can tell us, it always comes down to choices. How do we protect the Stafford Student Loan Program? By further cuts to preventive health care? By weakening research to prevent disease? By cutting our response to public health emergencies? No, of course not. We do it by closing a tax loophole, by requiring the wealthiest to pay their fair share of payroll taxes.

I submit that this is not, and should not be, a tough choice, but apparently it is. In fact, it is so tough that the other side doesn’t want to talk about it any further. The result? Yet another filibuster.

That brings me to my other regret. Once again, this Senate is broken, in 60 votes. It seems to me the American people look on in dismay.

The Senate was once called the greatest deliberative body in the world. Now it reminds me of that song, “The Sound of Silence.” “Can’t get no one to come and disturb the sound of silence.”

That is what we hear more and more—silence. No debate, no discussion. Yesterday’s vote was the 21st filibuster by Republicans of a Democratic bill this Congress—the 21st—and the year is young.

This ugly parade of filibusters—and for what? Let’s see. To block the President’s job bill, to stop the repeal of tax breaks for big oil companies, to not help local governments pay for teachers and first responders, to prevent a minimum tax on households earning more than $1 million a year, and now it is student loans—another filibuster, more sound of silence.

I have previously joined my colleagues and friends, Senator MERKLEY of Oregon and Senator HARKIN of Iowa, to push for fundamental reforms in how the Senate operates. The reason there is so much noise is that Congress’s approval ratings are at an all-time low. Instead of working to solve the major problems our country faces, we retreat to the shadows.

In order to have real change in the process, the Senate has to change the way we go about business. I have advocated, and will continue to do so, that the Senate, at the beginning of each Congress, should adopt its own rules by a simple majority vote. The Constitution clearly gives us this authority, and it is time to exercise it. Yet at the beginning of each Congress, the Senate, unlike the House of Representatives, doesn’t vote to adopt its rules. The Senate simply accepts the rules of the previous Congress—rules that lead to the unfettered abuse of filibusters, rules that have made the Senate a graveyard of good ideas.

When we fail to reform our rules, their abuse becomes an entrenched part of the Senate’s culture. That is why we are here today—after years of filibuster abuse, we have turned the Senate into a supermajoritarian body. To do anything in today’s Senate requires 60 votes.

Yesterday’s vote on the student loan bill was a prime example. We can’t even get onto the bill. Fifty-two Senators voted to move forward, but 45 Senators chose to filibuster. Once again, minority obstruction prevents majority rule. That is not democratic, and it no longer intends the Senate to operate.

This has to change. A new Congress will begin next January. Right now, we
don’t know which party will control the House, the Senate, or the White House, but it should not matter. The Senate must reform itself regardless of which party has control, not for the good of the Democrats or the Republicans but for the good of the country.

The Senate will have many new Members next January, and I think most of them will want to become part of a functioning legislative body, one where they can bring their best ideas and have them debated, a body where all voices are heard, and considered but majority rule is once again the norm. That institution cannot exist under the existing rules, and we continue to argue that the Senate must reform itself regardless of which party will control the House, but it should not matter. The Senate must reform itself regardless of which party has control, not for the good of the Democrats or the Republicans but for the good of the country.

The reforms Senators HARKIN, MERKLEY, and I proposed at the beginning of this Congress had strong support, but it did not pass. So here we are, 21 filibusters later, and the line of Americans who wait for a Congress that works, that actually gets things done, is longer to find solutions—that line just got longer by about 7 million students.

Several of my constituents have watched and have seen this filibuster proceed, and they have written me on my Facebook page. I thought I would share a couple of those comments because they really go to the heart of what is happening on student loans.

Tracy Edwards writes me, saying student loans are vital. She says: My daughter graduates this Saturday from UNM. Without student loans, this day would not have come.

Her daughter would not have graduated.

In 6 months, we will start repayment of those loans. I am not asking anyone else to pay my daughter’s loan, but why should we be punished with an increase for trying to ensure our children get a solid education? If a bank that you could lose your home, your car, and your credit, but student loans are mandated for repayment, no matter what. Is it too much to ask for a fair interest rate? I think the 1 percent will not be happy until it is a world of the haves and have nots.

Thank you, Tracy.

Donna Kubiak writes this: I agree ... my daughter is a single mom of 3 kids and working on her degree to teach elementary school ... without financial aid, she will have to work for a minimum wage job and get welfare indefinitely.

Thank you, Donna, for that comment.

Mr. President, as we know, this issue is absolutely crucial to 7 million American students who don’t want to see those interest rates skyrocket a couple months from now. I believe the estimate is about $1,000 per student. They can’t afford that, and we need to get this bill on the Senate floor. We need to cut out the filibusters and settle down and do the amendment process, the debate, and produce a bill.

I suggest the absence of a quorum.

The PRESIDENT pro tem, Mr. COONS.
Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

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

Mr. COONS. Mr. President, I rise today to talk about where we are right now procedurally in the Senate on the issue of student loan interest rates that we charge those who take out Stafford loans, but also the larger question of student loan debt and how we make the highway, the pathway, to higher education for America’s students clearer, fairer, and more predictable.

Yates once said that education is not the filling of an empty bucket but the lighting of a fire. Educating our young people is one of the most important things we do as a society. In lighting the fire of curiosity, imagination, enthusiasm, entrepreneurship, and creativity, particularly higher education is one of the things that distinguishes the United States from many other countries around the world. We have long had an enormous advantage in having one of the world’s greatest educational systems.

As the occupant of the chair knows, in Vermont and in Delaware today there are so many working families who deeply question whether the pathway toward higher education for their children will be as predictable, fair, and equal as it has been for past generations. When I meet with business owners, innovators, job creators, they deliver the same message: They have jobs. They are ready to hire people who have the education and the skills they need to compete and participate in the modern economy.

Today, with more than 12.5 million Americans out of work, including more than 30,000 Delawareans who are out of work, the question we must ask ourselves is how do we make higher education, skills training, vocational schools, and community college more affordable and accessible? One thing we can do, and have to do, is address the staggering debt that lingers with graduates sometimes decades after completing school.

We are faced with two problems. One is a short-term problem and one is longer term. The short-term problem is that without immediate congressional action, student loan interest rates for millions of Americans will double on July 1.

If we allow rates on federally subsidized Stafford loans to increase from 3.4 to 6.8 percent, we will saddle student borrowers with an additional $6.3 billion in interest payments. In Delaware, this could impact more than 18,000 student borrowers, burdening families who are still struggling to recover from the recession with unexpected additional bills. Lots of people have contacted my office regarding what this means on Facebook, and they have tweeted to contact my office and many others here about their concerns.

Alexandra, a recent graduate from Wilmington, DE, reached out to me and wrote:

I can confidently say that going to a four-year college has prepared me more than I thought it ever could for success in my job. Because of this higher education, I am facing about $20,000 of debt with a low-paying job. Alexandra is deeply concerned about the significant debt she faces, and she urged me to work hard to freeze the interest rate on her student loan rather than letting it double.

I agree with Alexandra and fully support efforts on this floor to fix this short-term problem by freezing interest rates on Stafford loans.

I am disappointed that yesterday’s vote—the failure to invoke cloture—to get past a filibuster by the other party has prevented the Senate from moving forward and discussing a possible realistic solution.

It is important for the Congress to confront this rise in interest rates, and I hope we can come to a bipartisan consensus. But let’s be clear. Even doing that will not solve the larger long-term problem. Addressing this rise in interest rates would not change how much students borrow, numbers that are only steadily growing.

Just this week our Nation’s cumulative student loan debt total crossed the $1 trillion threshold. That is an enormous burden on just getting started in life and in their careers. If we are to really address this challenge, we have to help students make smart decisions about financing their education.

We can also seek creative solutions that look beyond the obvious and really work to make higher education more affordable for more students. That is why I am so glad to work with my friend, Congressman CHAKA FATTAH of Philadelphia, PA, on new legislation to encourage private investment in college scholarships. Congressman FATTAH showed tremendous leadership in crafting this bill. We introduce a new tax credit that will help more kids afford a college education by applying a 20 percent tax credit to qualified higher education costs. The bill provides tax incentives to encourage private donors to support and sustain educational trusts that make higher education possible for all in our communities. These private donors, encouraged by a 50-percent tax credit, will help fund need-based college scholarships,
fueling a new generation of achievement by making higher education more affordable and reducing the need for student loans. But equally important, in places such as Syracuse where these programs are already in place, it changes expectations. When young people, in the early years of schooling—from the first, second, and third grade—know there is some possibility, some savings account, some community program that will fund their higher education, the likelihood they will finish and go on to college increases by four to seven times.

I support Congressman FATTIA’s innovative effort to support community trusts that support higher education. That is one idea for looking beyond the box and working to make higher education more accessible.

Here is another. The American Dream Accounts Act is a bipartisan, bicameral bill to encourage real partnerships between schools, colleges, non-profit organizations, and businesses to develop secure, Web-based, individual, portable student accounts that contain information about each student’s academic preparedness and skills. It also directly tackles the issue of student loan debt by linking student savings and student loans. This has rarely been fully utilized before. Now it has become so routine, so commonplace, that day after weary day people who subscribe to C-SPAN on their cable channels are calling in to the cable providers and asking for their money back because nothing is happening on the floor of the Senate.

And whose fault is that? It is our fault. It is our fault. When an issue such as this—one that brought on this filibuster—is explained to the American people, they shake their heads and ask: What are you doing in Washington?

Well, here is what this is all about. On July 1, the interest rate on student loans through the Federal Government doubles. It goes from 3.4 percent to 6.8 percent unless we do something. So we have a bill we brought to the floor yesterday. We said: Let’s bring this bill in, debate it, vote on it, and let’s change the law so that we can protect these students and families. Let’s freeze that increase and keep it at the original 3.4 percent. Now why? For some reason borrowing $20,000 over the course of their college education, it is worth $4,000. If that is your son or daughter and you happen to cosign with them, $4,000 is nothing to sneeze at.

The Pew Foundation did a survey of working families across America, I say to the Presiding Officer, the Senator from Vermont, and they asked a very basic question of the working-family population: How many of them could come up with $2,000 in 30 days—2,000 bucks. Maybe there was an emergency in their home—a water pipe just broke or the furnace broke down. My daughter just went to the hospital. But how many could come up with $2,000 was the question, and only half responded that they could. Half of the working families in America have access to $2,000. So what does $4,000 or more in interest being paid mean? For a Senator, not much. For an average working person, a lot. Now, what happened yesterday? We called this bill and said: Let’s move it, let’s start debating it, and let’s get it done before July 1. We all agree we should. President Obama and even Governor Romney said we should get this done. But not a single Republican Senator would vote with us—not one. Not one Senator would join us to bring the bill to the floor. I am told why we sit here literally wasting our time and the time of taxpayers over an issue we should not even have to debate.

I don’t know about the Presiding Officer, but I had to borrow some money to go to school, and borrowed it from the Federal Government. It was called the National Defense Education Act. They created it back in the late 1950s, early 1960s, because we were scared to death of the Russians and sputnik. We thought, they can take over the world. They have the bomb, and now they are the first in space with that little basketball-sized satellite. So we thought it was time for America to get up and get moving, and we created, for the first time in our history, student loans. We created the GI Bill, and gave help to veterans in the GI bill after World War II, but these were for nonveterans. I got one. I signed up for it.

When I graduated from law school in the late 1960s, there was the money I had borrowed—college and law school—from the Federal Government. I remember the day I brought the letter home to my wife, baby in arms and another one on the way, and said: My student loans have all been added up. She said: How much? I said: It is $8,500. She said: We will never be able to pay that back.

And I said: I know, but we have to try. We have a year before the first payment is due. My first job out of law school paid $15,000 a year, to put things in perspective.

Now look what students are faced with today. They are lucky to get out with an average indebtedness of $24,000—very lucky. For a lot of students that isn’t even possible. They get more deeply in debt as they go through school. They say: Well, you told me to finish my education so I would have a better life and realize my dream. I can’t quit now. I have to borrow some more money and finish next year and the following year or I have wasted it all. If I am a college dropout, what do I have to show for it—no diploma, just the debt.

So we asked families across Illinois to get in touch with us and tell us about student debt as they see it in their lives. We know nationally that student debt in October of 2010, for the first time in history, surpassed credit card debt. People owe more money on student loans than on their credit cards, and it is growing—dramatically growing. When you meet these families, it is sometimes a sobering moment.

I was at a college in Chicago last week and met a student, a lovely young lady majoring in art, which my daughter majored in, so I have no problems with that because she is a great
artistic and doing well, thank goodness. This young lady said: I am about to get my bachelor's degree with a major in art, and my student indebtedness at this moment is $80,000. But I am going on for a master's. I think it will be about $100,000 of debt.

I think she was 25 years old. Think about that. Think about what she has just done to herself. First, she did what she was told to do—to get a college degree. Then she gets so deeply into debt that she can barely come to realize—it is going to influence so many decisions in her life. Will she ever be able to buy a car, get married, buy a home, have children? Each one of those decisions along the way is going to be based on her student loan indebtedness.

So is it right for us to keep the interest rate low on student loans? Of course. Why do we want to make it any worse for him? We want to save dollars money after July 1? We should be doing this, and we shouldn't be squabbling over it. We were sent here to solve these problems, not to go into filibusters—one more Republican filibuster to get us partisan about it, but they didn't provide a single vote—not one—to help us move to this issue.

So on our website, we asked families to tell us their stories. I just spoke about a young student, but many of these students have parents and grandparents who sign up to help them. They say: Yes, we will cosign the note because we want our granddaughter or our daughter to finish school; let me help.

About 6 weeks ago, the New York Times reported a story in which a woman had her Social Security check garnished for student loans. It wasn't a loan she took out, it was a loan she borrowed for her granddaughter. Her granddaughter defaulted, and they went after grandma. She now receives a smaller Social Security check because of the student loan and her granddaughter's guaranteed loan. That is the reality of this debt. It trickles through entire families—families with guaranteed loans that, when they go into default, mom and dad keep working well past what they thought was their retirement age.

I have to say, the more I watch this, the more I am concerned about this student debt bomb that could go off, if it hasn't already. I worry about what it will do to these families and to the reputation of a college degree. There are people who are skeptical today about mortgages. They wonder, why would I take out a mortgage on a home if the value of the home is going to plummet? That's what skepticism doesn't help us build hope in communities and neighborhoods. What if we reach that level of skepticism when it comes to higher education? So this is part of the conversation.

Let me tell my colleagues about some of the stories I have heard.

Dewaine Nelson from Rockford contacted our office. Dewaine's daughter went to a private college costing about $30,000 a year. She has been a file clerk for 11 years since graduating. He wanted to help her, but he lost his job in 2001. He says:

Once you fall on hard times you can never get up. He was 18 when he went back to high school so he could defer the student loan again. He still doesn't have a job that pays enough for him to pay off his loan balance and help his daughter pay her balance.

So here we have mom and dad still with student debt and struggling to find a decent job.

Sharon Sikes from Chicago wrote about her son. She lost her job shortly before her son started college. Each semester brought this up. This is something we hear about very often. Her son's degree is in journalism and mass communication—not a field where you can find a lot of jobs these days. His loan payments are about to kick in, and he works as a cook in an Irish pub. He makes enough for his basic expenses—food and keeping his bicycle running so he can go back and forth to work. She said honestly she doesn't know what he is going to do when the student loan payments kick in. His debt from the State university tuition has left the family with more than $60,000 in loans, and he is cooking in an Irish pub.

Sharon says she is in her sixties and nobody is lining up to give her a job. She had hoped to be able to help her son pay his loans off sooner. She says:

He deserves a chance to follow his passion without being saddled with years of debt.

Jill Shakely from Rockford started out at Rock Valley Community College, which I think is a smart decision—to go to a community college if you are not sure or at least you want an affordable first year or two of college. She started out at Rock Valley, and when she graduated in 2002, she decided she wanted to continue her education and pursue a 4-year degree. She didn't have any support from her family. They couldn't help her pay for it. So she took out student loans. The tuition was $23,000 a year, and it added up to quite a home loan. She makes a salary of $32,000 a year, and makes a salary some would say is pretty small. She spends a large percentage of her salary on her loans. She would like to go back to school but can't take on any more debt. She is worried about how it will affect her future. She said: keeping interest rates low will help students like her.

Who wants to argue against this situation? Who believes we ought to raise the cost of student loans? Who thinks that is in the best interest of this country in terms of encouraging young people to go to school and getting them out of school without a mountain of debt which crushes them?

That is what this debate is all about. The fact that we couldn't get one single vote from the other side of the aisle—not one—to move to this bill to even debate it is a sad commentary.

This Senate Chamber is supposed to be able to deliberate, and face debate. At the end of the day we put our fate in the hands of those gathered here and have a vote, up or down, win or lose. I know the Presiding Officer has had some that have won and some that have lost and I have not. But that is what it is supposed to be about. Instead, my voice echoes through an empty Chamber. The people who forced the filibuster and stopped us from taking up the student loans are gone. Not a one of them is here.

Last night, I was one of the last speakers, and I looked over there to an empty side of the aisle and I said: Of all the people who objected to our going to the bill, not a single one of them is here. They are all out to dinner. That isn't right.

I know the Presiding Officer has been pushing for changes in the Senate rules. It would strike me that if someone wants to stop the consideration of a bill before the Senate, they ought to put their postcard in the pot and come up to these chairs and be prepared to take on all comers to explain why. If they don't have the time or inclination to do it, then for goodness' sake don't start a filibuster. One of the rule changes we have talked about some is that it is important to stop the business of the Senate—as we are doing now—they ought to at least have to stay on the floor of the Senate to defend their position. Is that too much to ask, that they don't go out to dinner and check in the next day to make certain that lunch is going to be served on time?

I think this issue gets to the heart of what our economy is facing, what families are facing, and what the Senate reform is facing as well. The student loan filibuster has stopped us from taking up a measure that would reduce the interest rate on student loans from 6.8 percent to 3.4 percent. In my State of Illinois, 365,000 students will be affected if that interest rate goes up. It isn't fair to them. It isn't fair at all. It isn't fair to be stuck in the middle of a filibuster when we ought to be rolling up our sleeves and tackling this issue.

The House passed a bill on student loans last night. In its place is a different approach to things. The House Republicans—with very little, if any, Democratic support—said: OK. We will lower the interest rate on student loans, and here is how we will pay for it. We will take money out of a preventable public health care program. In other words, we will reduce childhood immunizations, and the money we save by not vaccinating children, we will use that to bring student loan interest rates down.

How about that for a Faustian choice? How about that for a deal with the devil? We will run the risk that children will get childhood diseases,
and we will take the savings from that and help the kids who are in college. Is that what it has come to now, your money or your life? That is the choice we have? That is all? I don’t think so.

Why is it that the Tax Code in this country is so sacred an amendment? One would think that some people, instead of putting their hand on the Bible and swearing to uphold the Constitution, put their hand on the Bible and swore to uphold the Tax Code as it stands, without a word being changed. Tax Code that’s Written by men and women, some of great intellect and some bowing to special interests. Our job every year is to look at it and see if it makes sense. The way we pay for the student loan interest rate stay affordable is closing a loophole in the Tax Code used by accountants and lawyers to avoid paying taxes. They have made out pretty well under that provision for a while. But why should they have that for life? Are they entitled to that? Is it some kind of an entitlement they get for life? I don’t think so. I think it is a loophole we can close, save the money, and reduce student loans—not at the expense of children being immunized against whooping cough and measles. That is what it comes down to.

House Republicans seem to think that is a pretty good tradeoff. I don’t. Let’s at least debate it on the floor of the Senate instead of getting locked into an endless filibuster again and again and again. That is where we are.

Many of us have gone to our official Web sites and invited people living in our States to send us their stories about student loans. I have read three of them here. I can tell you many more from those I witnessed just this last week going through my State, going from Chicago to Peoria to Decatur and all points in between. The stories just come crushing in one after the other, and it forces that I do on the floor of the Senate makes a real difference in the lives of families across America. I have said it before: I wouldn’t be standing here today without student loans. The government loaned me the money, and somehow or another I paid it back. I didn’t think I could, but I did, hoping the next generation could use that money to get their own student loans. It is part of the kind of trust we have, one generation helping another. So are we going to let the students down? Are we going to let this filibuster be the end of the conversation?

I have listened to the Republican leader come to the floor day after day and say, Oh, this is just a political stunt. Where is the stunt? What it comes down to is we want to bring the bill to the floor and open it to an amendment process. To my friends on the Republican side, give us your best ideas. Put them in amendment form. Bring them to the floor. Let’s debate them. Let’s vote. We will do the same. Who knows, we may find some common bipartisan agreement and get this problem solved. We will not get it solved stuck in another filibuster, which is where we are right now, wasting the time of the Senate and the time of the taxpayers and endangering a lot of families across America who desperately need our help.

Mr. President, I yield the floor, and I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

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

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

Mrs. BOXER. Mr. President, yesterday I spoke on the floor about the Democratic bill to reduce interest rates on student loans, and I was lamenting the fact that our Republican colleagues would not even permit us to turn to the bill. They were filibustering the bill to the point where we thought we could no longer work on it. That is why this floor today is so empty. We should have been here working on a student loan bill which is so critical to so many college students and their families across the country. The interest rates on these student loans, which are the Stafford loans, the Federal subsidized loans, is going to go from 3 percent to 6 percent. We want to get it back down. This is important to 7.5 million students and their families.

When I concluded my remarks, Senator BROWN from Massachusetts took to the floor. He expressed shock that I was concerned about Republican filibusters and started to talk about how cooperative the Republicans have been, pointing to a few issues where we have worked together. Look, I am here to say that working together in a bipartisan manner on a few issues is fine, but we need to work together in a bipartisan manner on almost all the issues we work on because the American people are counting on us. Because there are a handful of issues on which the Republicans cooperated, let’s not come down to the floor and say everything and the Republicans are not blocking us, when, in fact, they are blocking us.

The Democrats essentially retook the Senate in 2007. Since then, these Republican filibusters have been off the charts. Don’t take my word for it; listen to congressional scholars Thomas Mann and Norman Ornstein. They recently wrote an opinion piece in the Washington Post. It was based on a study. I ask unanimous consent to have that printed in the RECORD.

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

(From The Washington Post, Apr. 27)

LET’S JUST SAY IT: THE REPUBLICANS ARE THE PROBLEM

(By Thomas E. Mann and Norman J. Ornstein)

Rep. Allen West, a Florida Republican, was recently captured on video asserting that there are “78 to 81” Democrats in Congress who are members of the Communist Party. Of course, it’s not unusual for some renegade lawmaker from either party to slip the line to say something outrageous. What made West’s comment—right out of the McCarthyite playbook of the 1950s—so striking was the all-male, all-white, elite cadre from Republican congressional leaders or other major party figures, including the remaining potential candidate for the GOP presidential nomination.

It’s not that the GOP leadership agrees with West; it is that such extreme remarks and views are now taken for granted. We have been studying Washington politics and Congres for more than 40 years, and never have we seen them this dysfunctional. In our past writings, we have criticized both parties when we believed it was warranted. Today, however, we have no choice but to acknowledge that the core of the problem lies with the Republican Party.

The GOP has become an insurgent outlier in American politics. It is ideologically extreme; scornful of compromise; unmoved by conventional understandings of facts, evidence, science; and has lost the legitimacy of its political opposition.

When one party moves this far from the mainstream, it makes it nearly impossible for the political system to deal constructively with the country’s challenges.

“Both sides do it,” or “There is plenty of blame to go around” are the traditional refrains used when people talk about the state of American politics. We all too often make light of political extremism; overlook the way it is harming our democracy.

During the 1970s and 1980s, the anti-tax movement, the birth of the Tea Party, the emergence of Fox News and right-wing blogs, the anti-war movement, the anti-choice movement, the anti-immigrant movement, the anti-tax movement, the anti-LGBT movement, and the anti-science movement all emerged from the Republican side. The Republican Party has shifted sharply to the right, and the Democratic Party has moved left, but they have become almost as extreme; scornful of compromise; unmoved by the country’s challenges.

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charges against Democratic leaders; pro-
voing them into overreactions that enraged Republicans and united them to vote against Democratic initiatives; exploiting scandals to create new problems for political opponents; and recruiting GOP candidates around the country to run against Washington, Democrats and Congress, Gingrich accomplished much.

Ironically, after becoming speaker, Gingrich wanted to enhance Congress’s reputation and even more Improve public relations with political opponents; and then recruiting GOP candidates around the country to run against Washington, Democrats and Congress, Gingrich accomplished much.

The results can border on the absurd: In early 2009, several of the eight Republican co-sponsors of a Senate tax-reduction committee voted in January 2010 against their party’s tax-cut bill because it was bipartisian. I wouldn’t have voted for it.”

And seven Republican co-sponsors of a Senate health-care reform committee panel voted in January 2010 against their own health-care bill because it was bipartisian. I wouldn’t have voted for it.”

In the House, some of the remaining centrist and conservative “Blue Dog” Democrats have been targeted for extinction by redistricting, while even ardent tea party Republicans, such as freshman Rep. ALAN NUNNELEE (Miss.), have faced primary challenges from the right for being too accommodationist. And Mitt Romney’s rhetoric on entitlements suggests that he would govern differently if his party captures the White House and both chambers of Congress.

We understand the values of mainstream journalists, including the effort to report both sides of a story. But a balanced treat-
ment is a much narrower concept than an objective one. If an issue is hotly contested, if the political dynamics of Washington are unlikely to change anytime soon, at least we should change the way that reality is portrayed to the public. Our advice to the press: Don’t seek professional safety through the even-handed, unfettered presentation of opposing views. Which politician is telling the truth? Who is taking hostages, at what risks and to what ends? Also, stop lending legitimacy to Senate filibusters by treating a 60-vote hurdle as routine. The framers certainly didn’t intend it to be. Report individual senators’ abusive use of 60-vote thresholds and identify the minority party uses a filibuster to kill a bill or nomination with majority support. Look ahead to the likely consequences of votes and choices in the Senate, and what actions, if any, do you expect to occur if the Senate does not vote on or hold confirmations? How could the candidates govern? What could they accomplish? What differences can people expect from a unified Republican or Democratic government, or one divided between the parties?

In the end, while the press can make cer-
tain ideological choices, it is up to voters to decide. If they can punish ideologi-

cal extremism at the polls and look skeptical upon candidates who profess to reach compromise and dialogue with anticipa-
tors, then an insurgent outlier party will have some impetus to return to the center. Otherwise, our politics will get worse before it gets better.

Mrs. BOXER. Here is the title of their piece, “Let’s Just Say It, The Republicans Are The Problem.”

They explain that in the past they looked at Congress and thought both parties were to blame. But on reflec-
tion, they studied the rhetoric but the facts—it was Repub-
licans who are causing all the prob-
lems. Here is what they write:

The filibuster, once relegated to a handful of major national issues in a given Congress, became a routine weapon of obstruction, applied even to widely supported bills or presidential nominations. And Republicans in the Senate have abused the confirmation process to block any and every nominee to posts such as the head of the Consumer Financial Protection Bureau. And Mike Lofgren, a veteran Republican congressional staffer, wrote an anguished diatribe last year about why he was ending his career on the Hill after nearly three decades. “The Republican Party is becoming less and less like a traditional political party in a representative democracy and be-
coming more like an apocalyptic cult, or one of the deranged, apocalyptic parties of 20th century Europe,” he wrote on the Truthout Web site.

Shortly before Rep. G. K. Butterfield, a Democrat from North Carolina, went off the rails with his accusations of communist in the Democratic Party, political scientists Keith Poole and Howard Rosenthal, who have long tracked historical trends in political polar-
ization, said their studies of congressional votes found that Republicans are now more conservative than they have been in more than a century. Their data, they noted, show a dramatic upturn in polarization, mostly caused by the sharp rightward move of the GOP.

If our democracy is to regain its health and what used to be considered the ideological cen-
ter of the Republican Party must change. In the short run, without a massive (and un-
likely) across-the-board rejection of the GOP at the polls, the only realistic change is to move the Tea Party Republicans. And if anything, Washington’s ideologi
cal divide will probably grow after the 2012 elections.
What does this mean? It means that in all those times we were unable to do the work of the American people because one party stopped it. There have been more filibusters by the Republicans in the 6 years since Democrats took office than the years prior to that in the prior 10 years. I want to remember one of those times because I was sitting down there in the manager's chair, coming out of my committee, Environment and Public Works, with a near unanimous vote on a little program called the Economic Development Act. This EDA has been in place for—I want to say 50 years. It has been in place for 50 years—50; not 15–50 years through Presidents Republican and Democratic. It is a beautiful program because what it does is it takes some modest Federal funds and leverages States' money, local money and private money and it comes into areas that are having difficulty with job creation and invests that money as a magnate. It leverages all these of these contributions, and we have seen hundreds of thousands of jobs created as a result.

So I come to the floor to get this little bill reauthorized. After coming out of my committee with a strong bipartisan vote, it is filibustered. I stood up there for 5 days, and I could not believe it. They are filibustering a bill that would create and save hundreds of thousands of jobs.

We also see these Republican filibusters when we try to say millionaires should pay their fair share, which would have reduced the deficit by billions. Oh, no, they could not stand to have us debate that so they filibustered. They filibustered a bill to eliminate tax subsidies to big oil and gas companies that are making record profits and getting subsidies that they have gotten for 30 to 40 years. No, we were not allowed to go to that.

And, of course, the most recent filibuster by Senate Republicans is on this critically important legislation to cut interest rates on student loans. They are going to double on July 1. Oh, no. They wouldn’t even let us go to the bill. I say that despite the protestations of Senator Brown of Massachusetts, this has got to stop. He cited three or four times that we worked together. I say good for that; I am happy for that. That does not in any way change the fact that we face filibuster after filibuster, 48 times in this Congress so far now.

I hope every college student in this country who has an opportunity is watching this Chamber. This Chamber should have been bustling today with people talking and working together, offering amendments so we could cut these interest rates on student loans. College students and high school students who want to go to college, and their parents, grandparents, aunts, and uncles understand that this floor is not filled today passing this legislation because of a Republican filibuster.

What we do here matters. We could save students thousands of dollars on the life of their loans. These are student loans for the middle class. More than 75 percent of the borrowers in the program come from families with incomes no more than $40,000 a year. This is not some fun and games. We have to help my Republican friends and their presumptive Presidential nominee want to cut taxes for people who earn millions of dollars. They want to give back an average tax cut of $250,000 a year, and they don’t have it in these student loans for families who earn less than $60,000 a year. They call for permanent tax cuts for the people who don’t need them and again they block the way for us to help the middle-class students to get a break.

Yes, I hope college students are paying close attention to this debate. I know some of them from the great State of California whom I represent are paying attention. I have heard from some of them, and I have some of their comments for the RECORD.

Delmita Turner of Rancho Cordova, CA writes:

I am the single mother of three children ages 7, 14, and 20. My daughter Khendel is in college and we have student loans to pay for her tuition. I am also in college and have student loans as well. An increase would put a tremendous strain on an already stretched budget.

After our family suffered nearly every type of loss one could, including death, foreclosure, divorce, and unemployment all within a year, I decided to go back to school with the hopes of making life better for my family. I began working a year ago last December after being unemployed for 2 years.

Now I ask: How American is that? We always strive to be better. Here is a woman who went through death, foreclosure, divorce, and unemployment within 1 year. She decided to make life better for her family. She began working a year ago last December after being unemployed for 2 years.

She continues: “So please consider how this will impact so many of us.”

I am asking my Republican friends as we have been doing this I think tomorrow morning—to think of Delmita Turner of California and what this means to her.

Then there is Joseph Briones of San Fernando, CA. He writes:

I am a senior in high school who will be attending college this fall. My dad is unemployed and a cancer survivor and my mom is working part-time. These conditions put a large strain on our family as well as on my parents to attend my top choice college, Westmont College.

We did not receive financial aid from the state and we have an immense amount remaining to pay for my upcoming educational years. We are going to be taking out student loans to pay for college. Please do not allow the passage of this bill to increase the interest on student loans. We rely on these loans and it is difficult to pay them back for some students as it is. Please do not make it a larger burden for students to go to college.

So tomorrow when we take up this bill again, I hope my Republican friends will stand down and think of Joseph Briones of San Fernando, CA, who is making a very pointed plea that he relies on these loans, and it is going to be very difficult if the interest rates are doubled.

Then there is Rachel Zavarella of San Jose, CA. She says:

I am glad Senator Harris is going to give us another chance to change that, and I hope my Republican friends are now hearing from their constituents back home. I hope when they come here tomorrow they will cast a “yes” vote and let us proceed to this bill. It would let us do right by the people who need us to stand for them, the middle class of this great country. We know why the country is great; it is because of the middle class. We need to make sure they have the opportunity to go to college and not have this burden on them that is so heavy it becomes too heavy for them to bear. Pretty soon they will stop going to college because they don’t want to have that burden on their back.

I have a chance to do the right thing. I hope we will. Let the record show these filibusters are outrageous and they are historic in nature. We have never had them before. We have never had such a lack of cooperation from Republicans before, and it has been a sad several years where we have seen filibuster after filibuster, even stopping us from going to a bill. Tomorrow maybe we can come together and get on this bill and do our work.

I yield the floor, and I note the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.
The assistant legislative clerk proceeded to call the roll.

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

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

Mr. RUBIO. Mr. President, I have followed with great interest this week the conversation in the Senate about student loans, the issue we are currently on, the process to allow student loan interest. I have followed it with great interest for a couple of reasons.

First of all, in the State of Florida, obviously, and across the country, there are thousands—maybe hundreds of thousands—of people who either have student loans and are paying them back or are relying on them to go to school in the future. So it is totally an issue that affects the State of Florida, where I come from.

I have a personal interest in the student loan issue as well. I think I have said on the floor before that my parents worked very hard, but they were never able to save enough money to pay for my education. So I relied on grants and on loans for undergraduate education, but especially for my law school education. I came back to Miami to go to law school. I am glad I went to the University of Miami. I am proud of where I went there, and I think the education I got there, my legal education, was very good. It also happened to be very expensive. I relied on student loans to be able to pay that so much so that when I graduated from law school, I graduated with a law degree and a significant amount of student debt that I had accumulated throughout 7 years of study.

In fact, I am still paying one of those loans today. I think—I may be wrong, but I know of one other Senator who is paying student loans right now. I pay, as I have joked in the past, about $723 a month to somebody named Saillie Mae, which is, all joking aside, a preacher that collects these loans. So it is an issue I understand and care about on a personal level, as well as because of the people I represent.

This issue we are discussing this week has allowed me to use it as a point of illustration to the people back home who are watching this debate. After having spent my first year here, one of the questions I get the most is, why has that happened? Why hasn’t that happened? Why have smart, well-educated, intelligent people who serve in this Chamber not met and discussed an issue such as this?

That is not what has happened. Why hasn’t that happened? Why have smart, well-educated, intelligent people who serve in this Chamber not met and discussed a way to pay for this? It is really not that complicated. It wouldn’t take that long to come up with a way to pay for it that both sides agree on. Why hasn’t that happened?

The answer to that question is something people back home are not going to like, and people who are here today visiting are not going to like to hear, and whoever is watching on television right now isn’t going to like. The reason is because that is the way things have been since I have gotten here. It is about politics.

Shocking as that may be, there is politics in this process. That is what is influencing us today.

A few weeks ago, the President made a decision that this was an issue he wanted to use. His campaign folks decided this was an issue that was to be discussed, that this was an issue that either party had to address. My hope is that both parties will agree we need to do. That is the norm.

The second reason it bothers me is because that is the way things have been since I have gotten here. It is about politics. The only difference is they are doubled down and say it is not that much money in terms of Federal standards—"It sounds crazy to say that because we are talking about billions of dollars—but from a Federal standpoint, it is not that complicated an issue. Let’s sit down. Let’s get some like-minded people together and let’s figure out a bipartisan way to pay for what we all agree we need to do. That is the normal, regular way to deal with an issue such as this.

So the reason is that the answer is not that complicated. It wouldn’t take that long to come up with a way to pay for it that both sides agree on. Why hasn’t that happened?

The second reason it bothers me is because it is about politics. That is what is influencing us today.
means they have to call their lender and say they can’t pay their loans. Do my colleagues know what happens when we get a forbearance on our loans? It compounds. It sits there. It is delayed. It is not delinquent, but it compounds. The interest rate is added to the principal. So by the time a person starts paying it, their loan is even bigger than the loan they took out to go to college.

There are other people who can only afford to make X amount of payments because they are not making as much money. Maybe they didn’t find the job they thought they were going to get, so all they can do is pay interest. So that means by the time they finish paying off these loans, their kids will be in college.

Let me tell my colleagues what it means in the real life of someone who has these loans because I still have them. What it means in the life of a person who took out such a loan is the following: They can’t save for their own kids’ college, which means not only will they have their student loan debt, but their children will be stuck with it as well.

What bothers me about this issue is that instead of solving it, we have spent the week playing a game with it while real people are out there scared to death—real students, real parents, real families who are facing the threat of not just an increase in the interest rate but of an economy that doesn’t have a job for them.

Do we think the interest rate is the biggest risk these people are facing? It is not. The interest rate is a problem. Not having a job is a catastrophe. The interest rate could be zero. If a person doesn’t have a job, how are they going to pay it? That is the No. 1 issue facing these graduates. No one is doing anything about it.

Here is what I suggest. If this was a place that was really working to solve problems, what we would have done and what we would do right now is stop this discussion and get everyone together. Get a few people together who know how to solve this, and come back here. I guarantee that if we decided we wanted to solve it, it would not take long.

Here is what else I guarantee. This is going to get solved. My colleagues can mark my words. A few weeks from now they will come up with a deal or a bill that will have enough votes to pass the House and Senate, and this will get solved before we score political points, right? This will get solved, but not before the people who care more about politics than policy score their political points on this issue.

Now, look, I have been around politics for all this. I have been through an election year and election year stuff is going to happen. But why are we playing with the lives of real people? These are real people who are hurting, and their lives and their experiences and their worries are being used as a pawn in a political game. And it is wrong.

I will make another prediction to my colleagues. Next week it will be another wedge issue of the week. Next week we will be right back here with another bill that was designed to fail on purpose so we can get another week’s worth of talking points on yet another issue.

The only news is—people in this city, unfortunately, think they are smarter than they really are. People back home know all of this. They can see it for what it is. People aren’t dumb. The American people certainly aren’t dumb. They can see right through this stuff, and we understand exactly what is happening.

So my suggestion would be that on this issue, let’s come together. Let’s say this is one of the issues that is so important, that impacts so many people in such a significant way, that it should be above politics. Let’s get together over the next 48 hours. It doesn’t seem as though this place is overworked when we look around the room.

What are we doing all week? What is going on all week? We voted on a few judges, and we have given a bunch of speeches. Why don’t we go somewhere and get a group of people to work on this issue and come back with a solution? This can be solved.

What is going on now is a disservice to the people who sent us here. They deserve better. They really do. The American people deserve better. The people we represent, the people who hired us. We are going to now, deserve better than this sort of theater. The Senate has become a theater. It has become a show. That is why people get grossed out by politics. That is why people watch the news at night and get grossed out by politics. Why don’t we go somewhere and get a group of people to work on this issue and come back with a solution? This can be solved.

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wealthy businesses can exploit, they would rather cut funding for children's vaccines, mammograms, and other critical services. This is the classic case of giving with one hand and taking with the other and all without asking the least. Those who have reaped the most rewards and benefited the most, particularly in tax breaks they have received over the last almost decade—to help the country, simply to help the country at this critical time.

If that does not tell us about the priorities of each party, I do not know what will.

These preventive health services not only improve people's health and their lives, they also reduce the cost of health care. That is because it is a lot easier and less costly to treat illnesses when they are first detected.

When women have access to affordable mammograms, their doctors will be far more likely to catch breast cancer in its early stages, when it is most treatable and least expensive to cure.

When we give people a simple inexpensive means on a vaccine, we do not have to worry about expensive treatments for measles later on.

When we help people quit smoking, we dramatically reduce the cost of treating that individual for a whole host of illnesses.

The saying, "An ounce of prevention is worth a pound of cure," could not be more appropriate to this debate.

For a party that loves to preach about responsibility, it boggles my mind that they would fight to cut preventive care that will reduce health care costs but allow tax loopholes to stay open.

Republicans decided to make a target of these programs, not because of substantive issues—I would respect that—but just because, plain and simple, they were included in the President's health care bill. As we know, as the distinguished minority leader said, it is all about the President, the problem with that is, it is not about the President failing, it is about the Nation failing at one of the most critical times in its history. They lost the health care debate in 2010, and they have spent every day since trying to refight that battle.

Now Republicans will try to scare people into thinking that closing this corporate tax loophole will kill small businesses. That is the mantra we hear businesses. That is the mantra we hear from Gingrich to avoid paying millions of dollars into the Medicare Program. Technically, they were not wrong to take advantage of this loophole. We were wrong to allow it to even be available.

But enough about the details on how we pay for it. This debate is all about people, all about families struggling to pay for college. As the first person in my family to go to college, who had to rely on Federal grants and loans to pay tuition, I have a firsthand appreciation of the importance of giving all students the opportunity to pursue their dreams.

For students struggling to pay for college and racking up debt, this is not an academic argument. The extra $1,000 a year might seem small, but it is not theoretical money. It is the difference between being able to repay their loans and entering the workforce with good credit versus being overwhelmed by debt and going into default.

Recently, I had the pleasure of having a roundtable and speaking to students from Montclair State University in my home State of New Jersey about how the interest rate would affect them.

I heard from Emily Delgado, a first generation American and the first person from her family also to go to college. She just completed her freshman year at Montclair. Despite working for the college as a student mentor, Emily will still be saddled with approximately $20,000 in debt by the time she graduates. If she decides to go on to graduate school after that, of course, that debt will only significantly.

She told me she cannot even bring herself to calculate how much the interest rate hike will cost her because, in her words, "it will just crush my dreams.

Nick Weber, works three—not one, not two, but three—part-time jobs to help pay for college. Despite these three jobs, Nick only makes around $175 per week, which is about how much extra he would have to pay in interest every month if we do not act now. He does not think that is fair, and neither do I.

A student by the name of Jamie Sommer—who dreams of one day becoming a professor—works part time for the school, but her income hardly puts a dent in her debt, and she fears she will not be able to afford graduate school, she will never realize her dream.

Emily and Nick and Jamie and all the other students who are struggling to pay for college deserve to be able to realize their hopes and dreams and aspirations. It falls to us—all of us in this Chamber—to do all we can to keep those dreams alive.

These students deserve our support. They deserve the common sense of a community that understands we have to reduce the deficit but we cannot balance the budget on the backs of the next generation. We cannot cash in their dreams and let those with the most cash out. We need a fair solution, not a political one.

These students have worked hard. They deserve better. They are not asking for a handout. They studied hard in high school, got good grades, took out loans, and got jobs to pay for college. They are working to build a life, doing what every parent dreams of for their children: to do well, build a decent life for themselves and their families, and give something back to their community and to the economy.

This next generation American that we want our young people to be. All they are asking in return is fairness—not a political sleight of hand that helps them with their student loans, but in the process takes away their health care. All they are asking is for us to not make it harder for them, for us not to add yet another stress to their lives.

Certainly, it is our obligation to not shut down their dreams of a higher education. For it is in their dreams for a better life that the economic future of this Nation will be built.

We are globally challenged—globally challenged—for the creation of a product or the delivery of a service in terms of human capital. The boundaries of mankind have largely been erased in the pursuit of human capital. So an engineer's report is done in India and sent back for a fraction of the cost in the United States. A radiologist's report is done in Northern Island and read by your doctor at your local hospital or if you have a problem with your credit card, as I recently did, you end up with a call center in South Africa.

In the pursuit of human capital for a product or service, we are globally challenged. For the Nation to continue to be a global economic leader, it needs to be at the apex of the curve of intelligence. The most highly educated generation of Americans the Nation has ever had. We cannot achieve that if we have students who have to forgo not only their dreams but the ability to help the Nation compete globally by getting a world-class education.

We owe them every chance to achieve their dreams and to help us make this another American century. Isn't that the least we can do? Isn't the choice clear? Let's choose closing a tax loophole that is actually creating challenges to small businesses that are paying their payroll taxes, and let's preserve the preventive health care that will improve the quality of the lives of our fellow citizens and, at the same time, save our system hundreds of millions of dollars.

I think that choice is pretty clear—the choice the Senate should take clearly on behalf of our students of the future and our country.

I yield the floor.
Mr. MERKLEY. Madam President, earlier today, just a few minutes ago as I was presiding where the Senator from Minnesota is now sitting, I listened to my colleagues speak on this issue of interest rates on student loans. I was particularly interested in the speech of a colleague who came to the floor. I said this bill that is designed to prevent interest rates from doubling is all political show. The concept of it being a political show is difficult for me to get my hand around. Quite frankly the President didn’t set July as the date student loans would double in cost. That date was set by legislation that was passed in the Senate and in the House and sent to the President. It is that date, just 2 months from now, that brings forth the urgency on this issue—President campaign or no Presidential campaign.

It is also important to recognize that this is not a debate at this moment about final adoption of a bill. It is about the process of moving the bill. It is a motion to proceed. For those unfamiliar with Senate process, well, this is a motion that says this is an issue that, because of its urgency, should be on the floor now for us to vote on. Everybody in this Chamber knows it cannot pass without 60 votes. As the debate unfolds, amendments are debated and hopefully a path is found that will produce the 60 votes necessary to send it on to the House and then to the President’s desk.

So I differ with my colleague, with whom I actually have collaborated on a number of projects. My colleague sees this differently. He sees this issue as one of politics. I see it as one of an urgent need in America for our students to have a chance to go to college with affordable financing, and that affordable financing will expire a few weeks from now. It is incumbent upon this body to take up this issue and provide a pathway to prevent that from happening.

I am struck by the voices I am hearing from Oregon. I was doing townhalls in Oregon, and people expressed concern about this to me. I am receiving letters from students about this issue and from other Oregonians. This is really a kitchen-table issue. This is the family sitting around the kitchen table and saying: How are we going to make things work? Is our child going to be able to afford college? Are we going to be able to afford it? We can contribute a little, and hopefully our son or daughter will get some grants, but they will also have to borrow some money. If they have a huge debt load and a high interest rate, will that be feasible for them or will they have to take a year or two off and try to find a job or two in the service economy to save money and then go back, and then what?

This is why student loan rates are so important. It is about the opportunity for our sons and daughters to have the course in life in which they are able to pursue their dreams and realize their potential. That is what this debate is about. That is a pretty big deal—certainly a big deal for students in my State of Oregon, for their parents, and for our future economy, which needs to have our children in America well-trained in order to drive the success of our economy.

We are facing a Republican filibuster saying: We don’t want to talk about this issue. That is what a motion to proceed is. My colleagues have said: No, we want to debate it. I disagree with them.

Let’s hear it through the voices of some of those folks on the front line. Sermin from Multnomah writes:

Dear Senator Merkley,

Today I am writing about student loan interest rates. I do not want to see these rise, even double, when the legislation expires in July.

Please fight to keep these loans at a low interest rate so average Americans can have a chance at an education, a better life, without crippling debt.

She continues:

I was just accepted in the University of Oregon’s graduate program in architecture. I have applied for loans as I do not have the money to pay back my own. My husband and I will have to scrape by when I quit my job to go to school.

Once I graduate and find employment, I am confident in my ability to pay back the loans. But raising interest rates would make it difficult to do so quickly, adding $5,000 in interest to my plan.

Please stand with middle America, average Americans, and support legislation to extend the low interest rates on student loans.

Kalie from Polk County writes:

Senator Merkley:

I am currently a freshman in college and have taken out a substantial amount of student loans in my own name to make my goal of attaining a college degree attainable.

Being 18 and having more than $20,000 in debt is scary, especially with the insecurity of today’s economy, but I strongly believe that I am making the necessary investment to not only better my own future, but that of the U.S. society as a whole, as well as generations to come.

As it stands right now, a college education is something that, realistically, not everyone can achieve purely from an economic standpoint, and raising interest rates on Federal student loans would only make attending college all the more difficult for some.

Please do myself, my peers, my future children, and their grandchildren a favor and help keep student loan rates where they are.

Help to make college more affordable for all people so more of our citizens can realize their dreams of higher education while simultaneously building a better country for future generations.

Kalie from Polk County writes:

The bill as introduced says we are going to have “independent security contractors” in Iraq or Afghanistan, but not on our own children’s education?

Sermin from Multnomah writes:

I think these folks from Oregon—Sermin, Kalie, Caroline, Cynthia, and Alana—have hit the critical points here. They may not know the finer points of Senate procedure, but the fact that a good portion of this Chamber is voting to block having a debate and consideration of this bill because the bill doesn’t start in exactly the form they want it passed at the end is pretty difficult to explain.

I say to my colleagues, if they don’t like the bill as it is, why not bring your amendment? The bill still cannot pass in the end without a supermajority, so why not bring forth your amendment—collaborate with others and bring an amendment forward.

There is a fundamental disagreement in the beginning on how we pay for this extension. It would not surprise anyone that I would say let’s end this war in Afghanistan. Let’s pay a third cutting our deficit, a third on infrastructure, and a third on education, including keeping student loans affordable. But that is not the plan we are debating today. I would be glad to propose that plan if colleagues would like to join me to create priority. I would do so after we are on the bill. You introduce a bill, you debate and amend it, and you have a final vote. You cannot get it done without a supermajority in the end.

Cynthia from Columbia County writes:

If we expect to compete in a global marketplace, our children must have affordable access to education.

I have two kids in college, and the debts we are incurring are already topping $56,000, which means that only rich people can send their children to college?

What kind of a country is it where we can spend billions on “independent security contractors” in Iraq or Afghanistan, but not on our own children’s education?

She concludes:

Please support a plan to keep student loan interest rates from doubling this July.

I want to dwell on the point she made for a moment. We spent $120 billion in Afghanistan in the last year on misguided nation building while we let nation building at home suffer, both in terms of investment in our infrastructure and investment in education. So Cynthia wonders what is wrong that we are failing our children when we have billions to spend on a misguided war overseas. She writes:

Alana writes:

I am working to pay off student loans now, which is hard enough. Now my family’s trying to send my youngest sister to college and is finding it hard to afford, and we are upper middle class. If we can barely afford an education now, how will anybody be able to do so if the interest rates go up? Please support the plan to stop this. This is the investment in the success of our middle class.

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poor. I point out they should be equally concerned about wasteful entitlements for the best off—in fact, more concerned. One is a fundamental safety net for those who are struggling in an economy where there are few jobs. The other is a big bonus for the best off at the very top of society. Doesn't it strike my colleagues that the safety net is better than the big bonus for the best off? Well, my colleagues across the aisle have said: No, no, no, we want the bill to start with our payment plan, which funds health care prevention from children and parents. I guess they weren't raised with the same story I was raised with, which is that an ounce of prevention is worth a pound of cure. It is simply better to inoculate children than to hospitalize children with whooping cough. It is better to prevent measles than to have children suffer with measles and be damaged by measles. It is better to manage diabetes than it is to amputate feet and provide guide dogs because folks have gone blind. Prevention is better than cure. An ounce of prevention is worth a pound of cure.

I disagree with the plan to strip prevention as a strategy when we have options. Let's take that money from nation building in Afghanistan, let's take the money from bonus breaks for the best off in society, those tax loophole entitlements—let's do that because those do not rip a big hole in the safety net for Americans.

I come from a working family. My father was a millwright and a mechanic. They weren't sure how I would be able to go to college. They were determined that I would go. They raised me to believe in gaining the education necessary to have opportunities in life. But they didn't have the money. Despite the fact that I worked a job in college, that wasn't enough money. I got substantial grants, and that wasn't enough money. I had to take out loans, and I had to pay back those loans. The interest rates matter.

I say to my colleagues: End your filibuster. Come here as Senators, present your amendments, debate this bill, and if you don't like the bill in the end, vote against it. But do not block this debate on an issue of fundamental importance to the success of our children.

Madam President, I yield the floor, and I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant editor of the Daily Digest proceeded to call the roll.

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

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

Mr. FRANKEN. Madam President, I ask unanimous consent to speak for 15 minutes.

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

Mr. FRANKEN. Madam President, yesterday our colleagues on the other side of the aisle stopped the Senate from reducing the enormous burden of debt that students take on. At a time when college is more expensive than ever, this body's inaction will increase each student's borrowing costs by about $1,000 for each year of college. And that is not acceptable for most American families. That is because on July 1 the interest rate on new subsidized Stafford loans is expected to double from 3.4 percent to 6.8 percent. We have been talking about this all year. The Senate has supported this interest rate increase for these loans are from middle-class and low-income families. If the Senate does not act soon, we will make it even harder for them to receive the education and training they need for jobs in this 21st century economy.

High school students and adults looking for new career opportunities realize how economically necessary it is to attend college. In my generation, if you add up the time I spent working to support my education and the time my parents spent working, I got a good manufacturing job that paid a decent wage and gave you health care and a pension. Today we need postsecondary training and strong computer math skills to operate the equipment in most manufacturing facilities. But it is not just manufacturing; it is many of the fastest growing jobs in the United States—it is computer jobs and health care jobs. A high school diploma is simply no longer a ticket to a job that pays family wages.

With an increasing number of jobs requiring some level of postsecondary training, we have a significant skills gap. In Minnesota—a State the President and I are proud to represent—70 percent of the jobs in the next several years will require postsecondary training. Yet only 40 percent of working-age Minnesotans currently have a postsecondary degree. Most of our States have similar skill gaps. The United States used to lead the world in the percentage of adults with a college degree. Today we are No. 16.

If our Nation is going to prosper in a global economy and continue to grow, our goal must be to provide normally, at a time when the jobs are available, enough their parents can provide these pathways for them and help pay for college, but most other students have to work—part time, maybe even full time. The President will appreciate this. I had students from the MNSCU board—their top students—recently came to meet with me. I was privileged to meet with them. They were about 15 or 20 of them. They represented Minnesota's colleges and universities. I asked them: How many of you work at least 10 hours a week while in school? All of them raised their hands. I asked how many work 20 hours a week. Most of them. I asked how many work 30 hours a week while going to school. A lot of them. And how many of you work full-time, 40 hours a week, while going to college? A number of them.

That is no way to go to college. When you work 40 hours a week, can you take the full course of credits? Maybe not. So then maybe it takes you 6 years to graduate. But they are also taking out loans, and often huge loans. We have for granted these days that students can get a loan, but 50 years ago, the Soviets did not have nuclear weapons, and they were ahead of us in science. In the United States, we were terrified. It woke our Nation up to the importance of better educating Americans and getting them the skills they needed to compete with the Soviets. That meant more Americans would have to go to college.

I was 6 when Sputnik was launched. My brother was 11—younger than the pages. A lot younger. My parents sat us down in our living room, in St. Louis Park, MN, and said to us: You boys are going to study hard so that we can beat the Soviets. I thought that was a lot of responsibility to put on a 6-year-old, but my brother and I were obedient sons and we studied math and science. And wouldn't you know it, my parents were right. We beat the Soviets. You are welcome.

But to get there we had to put in place new Federal programs to help average Americans afford college. A year after Sputnik was launched, Congress passed the National Defense Education Act, which helped put America back on top. This was actually the predecessor to the Perkins loan program, and it offered students low-interest loans to go to school, with a preference for low-income students.

This was just the beginning. Soon we gave student loans to medical students, created the Federal work-study program, and in 1965 created the Guaranteed Student Loan Program. This last one was later renamed the Federal Stafford Loan Program—which is what we are talking about today—and it made more money available to students to offset rising tuition. All this, really, because of Sputnik.

Today, there are two main types of Federal loans. Subsidized Stafford loans are awarded based on need, and unsubsidized Stafford loans are available to all students. The overwhelming majority of subsidized loans go to students from middle-income families. The Federal student loan program was created to open the doors of higher education to more Americans and provide them with stable, low-cost loans to pay for their education. And it originally did so to help Americans compete with the National Defense Education Act, which helped put America back on top. This was actually the predecessor to the Perkins loan program, and it offered students low-interest loans to go to school, with a preference for low-income students.

Well, we may have beat the Soviet Union, but we now face new economic threats from rising powers such as China and India. In our interconnected world, in which it is easier than ever to outsource the quality of our workforce matters more than ever before. So with college costs increasingly out of the means of many American families, in...
2007 Congress decided to help lower and middle-income students by cutting the interest rates on the subsidized Stafford loans.

The rates declined incrementally over time to a low of 3.4 percent this past year. But because this provision was so expensive, the 2007 legislation would sunset on July 1 of this year and interest rates for subsidized Stafford loans would double, going back up to 6.8 percent.

Allowing this to happen doesn’t make sense. Interest rates on mortgages and Treasurys are far lower than they were in 2007, when no one had any inkling of the turn our economy would take. No one could have predicted we would be experiencing near-record low interest rates and that it would make no sense to double them now to 6.8 percent. Of course, the threat we face from global competition has not waned in the last 5 years. It is greater than ever.

So with the July 1 deadline rapidly approaching, the time to act is now. Most high school seniors already have to decide where they are going next year, and now they are figuring out how to pay for it. While students are wrestling with these tough decisions, we need to give them the tools to get past this procedural hurdle in Washington. I am hopeful we will vote again this week to move the bill, and this time we will put our differences aside and represent all the families in all of our States who can use any bit of help we can offer them.

I am glad to hear my colleagues on the other side of the aisle agree we should stop the interest rate from going up, and we agree we should be fiscally responsible and pay for it. We just disagree on how to pay for it. I am proud to have joined a number of my colleagues in putting forward the legislation before us with a responsible, commonsense offset.

If I think we could all agree that if you are going to collect Social Security and Medicare, it is only fair you pay in what you owe, and yet some people have found a loophole that allows them to game the system using subchapter S corporations to avoid paying some of their Social Security and Medicare taxes, some of their FICA.

Most small business owners are not only honest but incredibly civic minded, and so they pay all the payroll taxes they owe. Unfortunately, a small percentage of individuals have found a loophole. If you have an S corporation, which is basically a passthrough—which means at the end of the year the profits are passed through to you as your income. If you have that, whatever profits you make at the end are considered income by the IRS. So if you make $300,000 in 1 year, you pay income taxes on all of that. Either way, on this you pay income taxes on all your income. Either there is the loophole: You can make $300,000, so it could be $270,000 that you harbor from FICA.

All of this is active income you are making because of active work you have done—it is not capital gains—so you should pay FICA taxes on all of it. There is simply no excuse for not paying FICA taxes on all of your income. Medicaid, Medicare, Social Security taxes on up to $110,000. That is what anyone making $300,000 would do except for this anomaly that was accidentally written into the Tax Code. This is exactly the kind of loophole we should be closing.

I hear all the time that we should be closing loopholes so we can keep the marginal rates down. If you can’t close this loophole, you can’t close any loophole. There is no reason this loophole exists. There is no good reason for it, there is no purpose to it, and there is no reason to keep it. It is an accident that results in people avoiding their rightful obligations. Our legislation would close this loophole for those individuals making over $250,000.

Governing is about making choices, and this one seems as clear as day to me. Save millions of Americans about $1,000 for each year of schooling on Federal Stafford loans. All of this is a commonsense offset.

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All of this is active income you are making because of active work you have done—it is not capital gains—so you should pay FICA taxes on all of it. There is simply no excuse for not paying FICA taxes on all of your income. Medicaid, Medicare, Social Security taxes on up to $110,000. That is what anyone making $300,000 would do except for this anomaly that was accidentally written into the Tax Code. This is exactly the kind of loophole we should be closing.

I hear all the time that we should be closing loopholes so we can keep the marginal rates down. If you can’t close this loophole, you can’t close any loophole. There is no reason this loophole exists. There is no good reason for it, there is no purpose to it, and there is no reason to keep it. It is an accident that results in people avoiding their rightful obligations. Our legislation would close this loophole for those individuals making over $250,000.

Governing is about making choices, and this one seems as clear as day to me. Save millions of Americans about $1,000 for each year of schooling on Federal Stafford loans. All of this is a commonsense offset.

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It seems that student debt is unavoidable for the average college student. College already is an expensive investment that shapes our personal finances for the rest of our lives.

I ask that you, on behalf of those who are already burdened by debt, to find a way to reach across the aisle on this one and stop interfering with the education of our children.

I ask that you find a way to lighten our load. We would not forget that if you did that you would be truly appreciating policy that opens up avenues to higher education for ourselves as well as for those future seekers of such an education.

Justin from Cincinnati, in Southwest Ohio:

I am the first person in my family to attend college and am on track to completing my BS in experimental psychology. I plan to go straight into a PhD program after I graduate and the prospect of loan rates doubling is absolutely horrifying.

I work full time to be able to support myself but still have about $15,000 in student loans. By no means does this compare to others who have much more in loans but allowing the interest rate to double is unacceptable and severely limiting to individuals such as myself.

Later tuition would boost the number of students attending college making life better for everyone.

I don’t suggest that everybody should go to college. I know everybody doesn’t want to go to college. But I do know that people often need a technical education or a 4-year degree, a 2-year degree at a community college or a technical school, and many students work full-time in a liberal arts school, a State university or a private school. The choices in my State are huge. We have literally dozens and dozens of small liberal arts schools and 4-year and 2-year community colleges and institutions of higher learning. Students should be allowed, if they choose, to be able to have access to college. Increasingly, it is more difficult for students to do that.

Lorie from West Jefferson, OH:

I am a full time working mother of three teenagers as well as a full time college student at Ohio Dominican University. I currently have over $40,000 in student loan debt. I need more time to graduate. By that time my loan amounts will probably be around $90K.

About the time I finish college, my oldest son will be beginning college and the student loan process will begin again. He will be the first of three children that we will put through college.

Listen to the definitive. She has decided she is going to make sure her kids get a chance to go to school right away. I don’t know her, but apparently she didn’t get a chance to go until she was older and became married, with children, and has decided to go back to school and is completing her education as her children reach their teens or mid-teens or upper teens.

Low interest rates would help make this a little less of a financial burden for me and my family.

I do not see how raising interest rates on student loans will help anything but cripple those trying to better themselves.

The last couple I will read. Linda from Centerberg, OH:

We are grandparents of 5 children. We and our children are middle class constituents who live in a rural area close enough to Columbus to commute.

Please do not increase the interest rate for the Stafford Loan in July.

Our oldest granddaughter is preparing to start college in the fall. She is fourth in her class and has been very interested in her chosen field, but our children are finding that paying for college is really going to stretch their budget.

Please don’t put a further burden on our grandchild by increasing the interest rate of a loan she may need to finance her future.

So those last two are interesting in that this doesn’t just affect college students: this affects the parents; it affects the grandparents. It is important that they don’t want welfare. They just want an even shot and a break here. That is so important for this grandmother. People understand that this is going to help everybody if they get to go on to college.

The last one I will mention is Carla from Steubenville in eastern Ohio, near the Ohio River:

I am very concerned about the raising of interest rates for student loans.

I am a single parent working in a middle class family working to help put my sons through college.

I don’t expect a handout but I have worked hard to acquire my position as a teacher.

My husband and I have exhausted our savings to pay for most of our sons’ expenses—even with the support of subsidized and unsubsidized loans.

I have put out over $80,000 in my eldest son’s college. Please, let’s help those that help themselves. If not, then the economy is going to continue to suffer.

The middle class will go bankrupt just trying to pay for their kids college.

I was taught to work and you shall receive but that is not true anymore. Please help the working poor.

What I take out of this more than anything is back in the 1940s and 1950s our government, through legislation that President Roosevelt signed in 1944, the GI bill, created a whole generation of prosperity. Millions and millions of young men and women coming out of World War II were given the opportunity to go to college and build homes and get their families started.

Because government at one time helped these millions and millions of students, it lifted the entire country. It lifted the economy. We had a much more prosperous economy because all these young men and women went to college because they chose to—millions and millions of them—because of the GI bill. It meant colleges were built. It meant more highways were built. It meant more businesses were started after they got out of college.

This subsidized Stafford Loan, as the Presiding Officer this afternoon knows, as we all know, helping all of the hundreds of thousands—in my State 380,000, in Minnesota more than 200,000 students—helping those hundreds of thousands of students in our two states, it helps our States become more prosperous.

Again, I urge my colleagues to support our legislation. Lock this in. Do it bipartisanship. It was bipartisan 5 years ago, as the highway bill used to be bipartisan, as raising the debt limit used to be bipartisan. Please return to those days when bipartisanship around here was rewarded and was effective.

I close by asking people to go to my Web site and tell us your story: brown.senate.gov/collegeloan stories. Tell us your story. I would like to share it with my colleagues because I think putting a human face on this for the student, for the parents who are struggling, even for the grandparents who care so much about the future, as most of our grandparents do, can make a real difference.

I protest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

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

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

Mr. SCHUMER. Mr. President, we are still here. We have not gotten much of a response from our colleagues on the other side of the aisle about our legislation that would help students throughout America pay their tuition costs and pay a reasonable amount of interest on their loans. I don’t know what my colleagues are waiting for. We all know the crisis in America. College has become more and more important. To many, it is a necessity, and it has become more and more expensive. That equation is not only hurting the kids who go to college, it is hurting their families and hurting this country.

When the percentage of people who graduate from college declines vis-a-vis other nations, that is a very bad sign for America. We can talk about the problems of quality in our K–12 schools, and those are important issues, but our higher education system still rates rather well in the world. That is shown by the fact that hundreds of thousands from around the world, including places such as China and India, apply to our schools, come here and attend. It is a shame we send them back even if they want to stay, but that is an immigration issue not an education issue.

Our schools are great, and the big problem with higher education in America is not quality—although, of course, it could be made better—it is affordability. It is not the same as K–12.

Yet here we are, sitting here, and the other side is in a certain sense twiddling their thumbs and making it worse.

How is America going to stay the greatest economic power in the world when fewer and fewer of our bright, capable, hard-working students can afford to go to college and when more and more of them decide they do not want to go to school or, if they go to school, not to the college of their choice for financial reasons?
We put a reasonable offer on the table. The proposal is we pay for our college tuition act by closing a loophole that people such as Rush Limbaugh said should be closed when John Edwards was found to have used it in his law firm, when other leading Republicans asserted it was one of the greatest abuses of the Tax Code they had ever seen. All of a sudden our colleagues on the other side of the aisle say they cannot vote for it. This was an issue that was talked about as we talked about dealing with the budget gap in August or in December—during last year, whenever it was. Again, we did not hear objections from the other side: Take that one off the table, we can’t live with it.

It seems what is going on is very simple. Our colleagues know that it is certainly politically unpopular, but probably it is politically wrong to allow interest rates to double. But they can’t just say they are against it. They tried to say they can’t vote for it, but when the President went around the country and talked about it they had to back off that.

So in the House they came up with a pay-for which was sort of laughable. Everyone knew that would never pass, and no one took their position seriously. But we had always hoped that our colleagues in the Senate who, frankly, have been much more reasonable in the last little while—we passed a high interest rate pay-for which was ridiculous. We passed a postal reform bill with bipartisan support, we passed the Violence Against Women Act with bipartisan support, and we thought we could get this done with bipartisan support.

Our goal is not to draw a difference between the parties—that has been apparent—but to get this done. We thought when we put our proposal on the Senate floor they would accept it. At minimum we thought they would at least come back with an offer: Let’s debate it. Let’s try and see if their amendment passes in terms of a different pay-for. Let’s see if our amendment could get support. Instead, what have we found? A filibuster blocking the Senate from even considering this reasonable measure.

I am going to yield the floor because I see my colleagues have arrived, the Senator from Connecticut and the Senator from New Hampshire, who I know have strong beliefs about this issue. We have an ally against it, but when the room, with a little help from the Mid-Atlantic.

I hope they will reconsider. I hope they will reconsider because it is better for the politics of this country to come together here again on reasonable issues, as we have done in the past few months. It is better, frankly, for their own politics. I am not wishing them ill. But most of all, it is better for the future of our country. Please reconsider. Let’s move forward and debate this bill and let’s not let the high cost of going to college get unnecessarily higher. I yield the floor.

The PRESIDING OFFICER. The Senator from Connecticut.

Mr. BLUMENTHAL. Mr. President, I am honored to follow my distinguished colleague from New York and his very powerful and eloquent words on a subject that concerns all of us, not only in New England but across the country. I have heard from countless students in Connecticut where have some of the best educational institutions in the country. I know my colleague, Senator SHAHEEN from New Hampshire, has spoken to students who are the people of her State, and particularly young people there, striving—as they are in Connecticut—for more affordable education.

We are talking about the future of our country. There should be nothing contentious, certainly nothing partisan about this issue of financing the future of education and particularly student loans. This ought to be a common cause, and it ought to be bipartisan. I do not believe it will be because we need to come together on this issue for the sake of young people whose lives are very directly and immediately impacted by this issue in Connecticut and across the country. The impact is not on just one college, but on the entire life cycle in our economy, increasingly a global economy in Connecticut that depends more and more on exports and more and more on talent and education. We have to come together.

I want to close on another important front, the future of this generation that will take on the greatest challenges in health care is essential not only to the quality of life for countless Americans. I urge my colleagues to come together and recognize that preventive health care is essential not only to the future of this generation that will take advantage of the 3.4 percent interest rate for their Stafford loans but other generations as well, generations whose they will be and generations who are their parents.

This program is essential. The 3.4 percent interest rate should not be a partisan issue, and we should be closing this loophole regardless of the challenge we face now in keeping the interest rate at 3.4 percent.

Very simply, we are being asked to make a false choice—the choice between small businesses and their employees, that we should not affect the actual small businesses of this country, and it will not raise taxes for anybody who already pays what they owe in payroll taxes. This loophole should be closed independent of the student loan crisis. We ought to close this loophole regardless of the challenge we face now in keeping the interest rate at 3.4 percent.

I yield the floor.

The PRESIDING OFFICER. The Senator from New Hampshire.
Mr. INHOFE. If the Senator would yield for a unanimous consent?

Mrs. SHAHEEN. I will yield.

Mr. INHOFE. Mr. President, I ask unanimous consent that at the conclusion of the remarks by the Senator from New Hampshire, I be recognized for up to 20 minutes.

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

Mrs. SHAHEEN. Mr. President, I am pleased to be joined by colleagues from Connecticut and from New York and others who have been on the floor today to talk about the importance of addressing the—of avoiding, I guess I should say, the potential for the student loan interest rates to rise at the end of June. The fact is that the U.S. workforce needs to have the skills to compete in the global economy, and that means making sure college is affordable because so many of the new jobs that are being created require higher education.

The reality is that students today face ever-growing tuition rates, and student loans are a critical bridge for them to cover these costs. But unless we act, over 7 million students—38,000 in my State of New Hampshire alone—who rely on subsidized Stafford student loans will see an increase in their student debt when they graduate.

This is a particular problem for students in New Hampshire because our students have the highest average student debt in the Nation. They are graduating with just over $31,000 in debt per student. Not only do they have the highest average debt, but 74 percent of our college students are in debt, and that is the second largest number in the country. So we have the highest average debt and the second highest number of students graduating with debt.

Students in New Hampshire and across this country need some relief, and doubling the interest rate is exactly the wrong way we should be going to cover these costs. But unless we give every American the opportunity to succeed. We need to encourage our students to go on to higher education, to advanced-degree programs, and to professional schools. Their future employment and our future economy both depend on this.

Last week I had the opportunity to visit with two of our State colleges, Keene State College and Plymouth State University. Everyone I spoke with had concerns about the escalating cost of college and concern for rising student loan interest rates. Over the past 24 hours I have heard from hundreds more constituents who are anxious about this.

Now, to be clear, the legislation we are considering would affect current and future students who will receive subsidized Stafford loans starting July 1. The last thing anyone needs in this economic climate is a reason not to pursue their undergraduate or graduate studies.

Meghan Jordan of Amherst is a sophomore at the University of New Hampshire. She told the Union Leader newspaper that student loan debt has become a constant concern for her. Meghan says that her parents would do just about anything to pay for her college education in full, but with two brothers also in college the finances are stretched. She views the prospect of interest rates doubling as an attack on college students trying to make a better future for themselves. Sadly, she said it feels like it is a punishment for trying to obtain a college degree.

When I was at Keene State College in Keene last week, I met Keith Couch, a parent who has a daughter at Keene and a son at Boston College. Between his two kids, his annual tuition bill comes to $90,000. No wonder he is having trouble figuring out from where the money is going to come. He spends hours trying to figure out how his family will make college payments each month. He said loans help bridge that gap.

One constituent, Erin, posted on my Facebook wall that her husband recently completed medical assistant courses at Hesser College in Manchester. He is due to start paying his student loans because, he said, he hasn’t been able to find a job in his chosen field. Erin said that family finances are tight and if interest rates were to double on the loans they have, there is no way they would be able to pay them.

The stories I have heard in New Hampshire are similar to the stories Senator BLUMENTHAL told about Connecticut and what Senator SCHUMER has had to say about New York and what we are hearing from students and families across the country. Higher education is essential for economic opportunity and personal growth. It is equally essential to the prosperity of our country, and, most importantly, the prosperity of our debt levels affects whether people choose to enter college to begin with.

When I was in Plymouth last week at Plymouth State University, a student stood up and said: I want to teach history. Tell me why I shouldn’t just drop out of college and be a mechanic. I said: Well, I like teachers myself, and we need more of them. But in this rapidly changing, highly competitive global economy, we should be doing everything we can to make sure college is more accessible to Americans so we don’t have students across this country saying: Why shouldn’t I drop out if no one supports my getting a college education?

It is critical for all of us, and, unfortunately, high debt burdens have serious consequences for individuals, for families, and for the economy. Student loan debt affects where graduates live, the kinds of careers they can pursue, whether they can start a new business, whether they can start a family, when they can purchase a new home, and when they can start to save for retirement.

Our students deserve better. We need to get rid of any obstacles that are keeping our students from getting the education they need to succeed. We should not put more obstacles in their way. We need to come together, Democrats and Republicans, to stop this increase in interest rates and to do what is in the best interest of our families and our young people who need that college education.

Thank you very much, Mr. President. I yield the floor.

The PRESIDING OFFICER. The Senator from Maryland.

Ms. MIKULSKI. Mr. President, I am proud to rise today to support the Stop the Student Loan Interest Rate Hike of 2012. I cosponsored this bill because it extends the current interest rate of 3.4% for subsidized Stafford Loans for the next school year. This interest rate reflects a record low for interest rates on Federal student loans, and these loans can only go to students and families that demonstrate a need for them; nearly 50% of the students that take advantage of subsidized Stafford loans come from families with an annual income of less than $50,000. Subsidized Stafford Loans help millions of students attend an institution of higher education without worrying that the interest on their loans will begin accruing while they are in school. It helps more than 103,000 students in Maryland. Middle class families are facing difficulties more than ever, and if we fail to act, students could be facing an additional $1,000 in debt over the life of their loans.

It is important to note that we will not expand our Federal deficit, and we will help families not expand the family deficit, by keeping the interest rate at 3.4 percent. Senator REID’s legislation offsets the cost of this legislation by closing a tax loophole enjoyed by individuals seeking to avoid paying payroll taxes on their income. This would only affect those who make more than $250,000 a year and simply requires people who make any income from a professional service business such as lobbying to pay taxes if more than 75 percent of the income from that business comes from three or fewer shareholders.

I adamantly oppose the alternative proposal from House and Senate Republicans that would repeal the Prevention and Public Health Fund authorized by the Affordable Care Act. In the last year alone, that prevention fund has funded activities in my home state of Maryland to promote tobacco prevention, substance abuse prevention, mental health services, and community programs to promote healthy living. The fund is also used to invest in childhood immunizations to decrease the risk of disease among children. In the future, the President plans to use this fund to support breast cancer screenings for more than 380,000 women and cervical cancer screenings for more than 230,000 women. Repealing the prevention fund would not only
strike an unnecessary blow to prevention activities aimed to improve the lives of women and children, it would also promote increased health care costs by eliminating strategic investments meant to prevent or mitigate chronic illnesses that can be expensive to treat.

Students will bless us if we are successful in keeping their student loan interest rates as low as possible. Getting a college education is the core of the American dream and I am going to be sure that every student has access to that dream and make sure that when they graduate their first mortgage isn’t their student debt. This legislation pending before us today should be passed in a swift, expeditious, uncluttered way. This bill is absolutely a great bill for students and it is a great bill for America. It gives our students access to the American dream. It gives our young people access to the freedom to achieve, to be able to follow their dreams, to be able to achieve higher education in whatever field they will be able to serve this country.

I urge the swift passage of Senator Reid’s legislation to maintain the current interest rate for subsidized Stafford loans.

The PRESIDING OFFICER. The Senator from Oklahoma.

Mr. INHOFE. Mr. President, first of all, I will be introducing a bill in a minute called S. 3033, but as I indicated to that, let me talk again about my ongoing investigation of the overreach of the Environmental Protection Agency.

Certainly the Washington Post is right on with their editorial. On May 3, the Washington Post editorial board penned an editorial entitled “The EPA is earning a reputation for abuse.” In this editorial, they discussed how former region 6 Administrator Al Armendariz purported in his visit to Dish, TX, clearly showed that he “prevented the Federal Government, through the EPA, the jurisdictions over all land in the United States. It is very simple. It was so unfair that not only did we defeat the Clean Water Restoration Act but the people defeated Senator Feingold in Wisconsin and Congressman Oberstar, after they had been in Congress for a long time. Obviously, this is something that is not popular. It is an overreach and everyone understands it.

Normally, when the Obama administration can’t achieve what they want to achieve through legislation, they do it through regulations. This is in cap and trade right now. We saw the President try to get legislation on cap and trade which amounted to a $300 billion to $400 billion tax increase on the American people and have done any good or helped anyone. Yet it would have been the largest tax increase in history. I go back and compare it with what they were attempting to do with the Clinton-Gore tax increase of 1993. That is the lowest they raised the marginal rates, the capital gains tax, the death tax—this massive tax increase—a $32 billion tax increase. This will be 10 times greater than that. Now they are trying to do what they couldn’t do with a bill through regulation. But that is because in order to undertake a Clean Water Act rulemaking, EPA would have to follow a transparent process and engage in a public comment period as required by the Administrative Procedures Act.

For that reason, they didn’t pursue that through regulations. Given how unpopular their proposal has been, going through with the rulemaking would take it right out of their hands to obtain the expanded Federal control they are clearly trying to pursue. By changing agency practice in this formal and nonregulatory way, they virtually ensure that they will be able to formalize this agenda easily through future rulemaking. So what they couldn’t achieve through legislation, or, in this case, through the proper rulemaking process, they are trying to do through guidance.

What is even more frustrating than the EPA’s continued overreach is that this new guidance would provide no improvement to water and would likely hinder real progress on cleaning water. The guidance’s broad reach and legalism is a tremendous change which would shift the balance of regulatory authority further away from States, which are better equipped to protect waters within their borders. Giving the Federal Government over the unpalatable nearly all water features will not lead to cleaner water. It will, however, lead to tremendous uncertainty, tremendous confusion, and economic pain for farmers.
energy developers, small businesses, and State governments by saddling them with more layers of expensive, onerous, and unnecessary Federal regulations. It is yet another Obama administration policy that will be all pain for virtually no environmental gain.

Congress has been explicitly clear with EPA that this new guidance is unacceptable. Last July I wrote a letter, along with Senator ROBERTS, the ranking member of the Senate Agriculture and Forestry Committee, and 39 of our colleagues to Administrator Jackson, where we raised our concerns that this document went far beyond mere guidance. EPA and the Corps of Engineers greatly expanded what can be considered jurisdictional waters through a slew of new and expanded definitions and through the changes to the applications and jurisdictional tests.

Administrator Jackson has said this guidance will increase the Clean Water Act’s scope. In the economic analysis that accompanied the guidance, it stated that as few as 2 percent and as many as 17 percent of the nonjurisdictional determinations under current guidance would be considered jurisdictional using the new test under the new guidance. However, this analysis was only for the Army Corps making dredge-and-fill permit decisions when compared to current practice. The guidance will apply to the entire Clean Water Act, including the National Pollutant Discharge Elimination System permits, the Oil Pollution Act and Spill Prevention Control, and Countermeasure plans, water quality standards, and even State water quality certifications. Because most States have delegated authority under the Clean Water Act, this change in guidance will also result in a change in the responsibilities of States in executing their responsibilities under the Clean Water Act and a change in how individual citizens proceed by law.

So what we are talking about is what they have been unable to do with legislation they were going to be doing with regulation. But in this case, what they do and do not do. Why do it this way forward to prevent that devasting rate hike less than 2 months from now.

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

The PRESIDENT OF THE UNITED STATES. The clerk will call the roll.

Mr. HARKIN. Mr. President, yesterday Republican Senators voted to block the bill to prevent the doubling of the Federal student loan interest rate on July 1. As long as they continue their filibuster, there is no clear way forward to prevent that devastating rate hike less than 2 months from now.

If that happens, more than 74 million American students will be required to pay an average of $1,000 more per year of school. This is especially important to my State of Iowa—and it is important to all States—where nearly 72 percent of Iowa’s college graduates have student loan debt, the fourth highest percentage in the Nation. Those borrowers are carrying an average of $30,000 in student loan debt, which is the third highest in the Nation.

In floor debates this week, Republicans claimed that they, too, want to prevent the rate hike. I welcome their support. But if they want to join with us in preventing the rate hike, why in the world won’t they let us proceed to the bill? That will give us all the opportunity to debate the bill and offer amendments.

I call on my Republican friends, if they want to keep the interest rate hike from doubling on students, to call off the filibuster and let’s move ahead with the bill. I am not the only one who wants to end this obstruction by my colleagues on the Republican side. I have heard from constituents in Iowa who are frustrated at the Senate’s failure to act. This is a kitchen-table issue for middle-class Americans, families all across the country.

I have heard reports that over 500,000 signatures from students around the country have been delivered to the Hill to show their support for keeping the rate at 3.4 percent. I know many Senators have come to the floor to share their constituents’ concerns about how the interest rate hike would affect them. I will share a story I received from an Iowa student.

Dear Congressman, [or Senator, as the case may be] I am writing to support my self, current college students, and future college students everywhere. I recently re-enrolled in college to further my education. This decision came after much time and deep thought. The problem wasn’t that I didn’t want to attend school, it was whether or not I could afford to attend school.

Many years ago, I graduated from an out of state university at the time I graduated it was one of the cheapest schools. I have the utmost respect for any student who has to travel that distance to pursue higher education.

I never for one moment thought that I would have to write a letter to you. I am already thankful for the help I get from my parents and grandparents. I wish to be independent and have consistent help from my parents along with other student loans. I live paycheck to paycheck and often have to rely on the savings account I worked so hard to save before graduating high school, along with consistent help from my parents and grandparents. I wish to be independent from this help even though I am thankful that it is there.

This increase in interest rates on loans was not only disappointing, it was infuriating to me. This will have an effect for many years beyond what it should and not only for me.

I live in Stanwood, IA, a place that not many people have heard of, and I commute the 35 miles to Cedar Rapids every day for my job.

So when I saw that these loans that I am relying on to support me and fund my education were going to double, I was heartbroken and I wonder what is wrong with my country? I am very proud to be an American, and I do so with the utmost pride.

I believe that the one thing the USA has going for it: supporting our future, but that is quickly fading in front of my eyes. I hope that I did read this example of disappointment in our great country as I do, and do everything in your power to let not the interest rate on student loans increase on July 1.

I hope you can put faith in the American students who are relying on these loans to
educate themselves, and together get our country back on the right track, not headed down the wrong one. Thank you so much for your time, and I hope to hear great things from you soon.

Sincerely,

a proud Iowan.

This is just one of the many stories I have received from my constituents, telling me how detrimental it would be if the rate were to double on July 1. This increase is a looming reality for many students and families if this Senate continues to do what it is doing—and that is to do nothing to bring the bill up and having Republicans filibuster it, and not even let us proceed with it. For the past 3 days, we have been hearing from Republicans that they want to keep the interest rate at 3.4 percent, but they don’t like how we are paying for it in our bill. I have said many times that if they don’t like that—and our leader came out here, as many have, saying, look, if my Republican friends don’t like how we pay for it, let us get on with the bill and they can offer their offset or pay-for. We can vote on it, and they can vote on ours. But that is not acceptable to the Republicans. They don’t even want the bill to go forward.

We have been hearing from Republicans that our offset, which is closing a loophole in the Tax Code that affects subchapter S corporations—and I might add it only affects a very small sliver of subchapter S corporations, very tightly drawn; they can’t have more than three shareholders. How about that? And you have to have more than $250,000 in income, and it pertains only to those subchapter S corporations that provide certain kinds of professional services. In other words, it doesn’t pertain to real estate, or manufacturing, or anything like that. It only has to do with certain professional services, such as lawyers and accountants, people such as that.

Well, the Republicans say that if we do this—close that loophole—it will hurt the ‘job creators.’ How many times have I heard that, job creators—that we are going to hurt small businesses. The other side would have you believe that we are doing this for political gain, that somehow we Democrats are doing this for political gain. Well, if that were the truth, why wouldn’t we pick an offset, a pay-for, to fix a problem that conservatives have railed against in the past? Yes, the problem that we are trying to fix in subchapter S corporations is a problem that conservative Republicans have railed against in the past. I want to refresh my colleagues’ memories and set the record straight on this issue of S corporations, the offset we have.

For starters, in 2004, the Wall Street Journal editorial page said this on July 13, 2004:

Conservative Support for Closing the S Corp Tax Loophole.

Senator Edwards talks about the need to provide a fair tax system for all, but that didn’t stop him from using a clever tax dodge [these are the words of the Wall Street Journal, not mine] to avoid paying $591,000 into the Medicare system. While making his fortune as a trial lawyer in 1995, he formed what is known as a “subchapter S” corporation, with himself as the sole shareholder. Instead of taking his $25.9 million in earnings directly in the following four years, he paid himself a salary of $300,000 a year and took the rest as compensation for his ownership stake. Since salary is subject to 2.9 percent Medicare tax, but dividends aren’t, that meant he shielded 90 percent of his income. That’s not necessarily illegal, but dodging such a large chunk of employment tax skates perilously close to the line.

CPA Magazine lists it as number 11 of its 15 best underutilized tax loopholes.

I ask, is the Wall Street Journal in favor of—what did they say?—hurting job creators? Are they in favor of that? Is the Wall Street Journal in favor of “raising taxes on the very businesses we are counting on to hire these young people,” as the minority leader said on Monday? I repeat, we limit it to only three shareholders. They are going to count on them to hire these young people, he said. What is the minority leader talking about? That same year, in 2004, the late conservative columnist Robert Novak wrote:

It is one of the last loopholes left in the Internal Revenue Code, and it is a big one.

Here is the whole statement:

How can John Edwards explain setting up a dummy corporation—subchapter S—to avoid paying an estimated $200,000 in Medicare taxes in the 2 years before he ran for the Senate? This is a classic subchapter S corporation devised to shelter income, mainly for professionals (and also syndicated columnists, but not me). It is one of the last loopholes left in the Internal Revenue Code, and it is a big one.

That is Robert Novak. Has anyone ever questioned his conservative credentials?

Sean Hannity said this:

Hey, John Edwards is worth, what, $30 million to $40 million, set up a sub-S corporation to keep him from paying Medicare taxes on $90 percent of the $26.9 million in earnings he took from the law firm he left. He sheltered the rest of our use how Medicare is going to go.

Finally, Rush Limbaugh himself said this:

and he [Senator Edwards] has also compounded that by structuring his own personal finances to avoid paying Medicare taxes on 90 percent of the nearly $27 million he earned over four years.

I ask my Republican colleagues, are Robert Novak, Sean Hannity, Rush Limbaugh, and the Wall Street Journal all in support of raising taxes? Are they all in support of killing job creators? These are their statements. That is the record.

For the last several years, conservative Republicans have been going after this loophole, until they obviously found a Democrat who used it, John Edwards. Lots of people use it, a lot of lawyers and accountants and doctors. A lot of different kinds of professionals have used this loophole to avoid paying the full share of taxes. Here is another classic case where the Republicans say we are using this for political gain. Wait a minute. They are the ones who have been going after this loophole for years. We said: Hey, we finally have something on which we can agree. The Wall Street Journal and all these other people are saying we have to close this loophole. We have the opportunity to do so, and in doing so, we raise the money for Medicare and Social Security and to keep the interest rates on student loans at 3.4 percent. Yet the Republicans will not even allow us to bring it to the floor.

So who is playing politics, I ask? Who is playing politics?

Well, as I have said before, and I will say again, we have come here with a serious offset—one, as I said, that has been supported—at least close. This loophole has been supported—by conservative Republicans in the past. If anything, it is worse today than it was in 2004. More and more people are finding out about how they do this. They formed this little subchapter S corporation and avoid paying their taxes. It is time to close that.

We came up with a serious offset we thought would be acceptable on both sides of the aisle because of the history. We are ready to do this because of the concern of so many students and families across the country. The Republicans came and wanted to pay for it by eliminating the Prevention and Public Health Fund. They want to eliminate the one thing that is going to prevent obesity, heart disease, stroke, cancer, and diabetes in the future and save us a lot of money. They want to end that and take that money and put it into keeping the interest rates low. They are pitting the low interest rates for students against the health care of children—immunizations for kids—which is what we use this prevention fund for. And for diabetes prevention. That is what we use the fund for. They want to take that away, pitting students against the health of our country. That is not a serious offer. That is not a serious offer by the Republicans.

That alternative is going nowhere. Both sides of the aisle agree that the President should he); I thought he would veto that. So I ask my colleagues on the other side to quit playing politics. Quit playing politics with this. Let’s bring it up for a vote.

Maybe they should listen to the Wall Street Journal, and the now deceased Novak and Fox News and even Rush Limbaugh and Hannity. Let’s close this loophole once and for all and do something good with it. Let’s do something good with it. Keep the interest rates low. For our students in this country.

Mr. President, I yield the floor, and I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

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

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

Mr. Reid. Mr. President, during the day I flipped on the TV that we have in
our offices and looked at it as often as I could. I was very impressed with my colleagues who came and talked about why it is so important that we not have an increase in the interest rate for student loans. I have been very happy with my Democratic colleagues who are working hard to make a profound case. But I listened also to what the Republicans had to say, and it is beyond my comprehension how they can come to the floor with a straight face and say what they have said. I have seen many democracies in which the members of the party have come to the Senate floor to blame Democrats for stalling legislation to keep college affordable for 7 million people throughout our great country. The claim is pretty rich considering that Republicans voted unani-

mously yesterday to filibuster this legislation. What is a filibuster? It is stopping us from going to the legislation.

Our bill would prevent 7 million students from paying $1,000 more on their loans. College is already unaffordable for far too many young people. Democrats believe we should be doing all we can to provide access to higher education. That is what these student loans are all about.

Republicans have repeatedly claimed they support efforts to support legislation to keep loans from doubling this summer, but they sure have a funny way of showing it with this endless fil-
buster. Today, Republicans have said that Democrats should negotiate a way out of this stalemate—again, a very strange reasoning. It is hard to negoti-
ate without a partner.

Every Tuesday after we do our weekly caucus meetings, I go to what we call the Ohio Clock. One of the report-
ers said: Your Republican colleague Senator MConnell said you should negotiate on this issue with Speaker Boehner.

Now, how do you like that one, that I, the leader in the Senate, should go to the Republican House and start negoti-
ating with them? That is a strange, strange way of doing business.

The Republicans claim their only objection to our legislation is how it is paid for—by closing a tax loophole that allows wealthy Americans to dodge taxes they already owe. That is what we feel should happen. We don’t believe it is a tax increase—just that people should pay what they are supposed to pay. We also believe we need a way of paying for new policies. Rich accountants and lawyers avoid it by claiming they are going to pay dividends and not ordinary income. It is not fair to everyone else.

So if the Republicans object to this, fine. Democrats are willing to consider alternative offsets. In fact, we are even willing to vote on the House Republi-
cans’ own proposed offset. Now, that is a doozy, the offset from the Republicans coming from the House, which takes away money for preventive care for veterans. The leading cause of death in America are dia-

betes, heart disease, and cancer. They want to take away preventive pro-
grams to stop heart disease. And, as we know, there are programs now—mam-
mograms, for example—that stop people from having to get too far behind with the dread of breast cancer. That is their offset. We strongly oppose that alternative, but we are willing to vote on it. And once their proposal to slash programs that save money and lives fails on a floor vote—and it will fail—we Demo-

crats are still willing to consider other options to pay for this legislation. My Republican colleagues on the other hand have refused to consider alternative ways to pay for a bill they claim they support.

So I say to my Republican colleagues, let us bring this bill to the floor. If Republicans are so interested in negotiating a solution, they should be willing to take that first step. Once the bill is on the floor, we can debate it, we can amend it with an offset on which both sides can agree. But until Republicans end their obstructionist filibuster, there is no path forward.

So for my Republican colleagues to come down here and say “we support this legislation,” I repeat, what a strange way of supporting this legislation.

MORNING BUSINESS

Mr. REID. Mr. President, I ask unanimous consent that the Senate proceed to a period of morning business, with Senators allowed to speak for up to 10 minutes each.

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

FLAG MAN LARRY ECKHARDT

Mr. DURBIN. Mr. President, I was in Tazewell County—which is in the area of Pekin, in East Peoria, IL—last week at the Veterans Administration Com-
mision.

I talked to a number of vets from the Vietnam war and other conflicts. We talked about obvious questions: veterans’ unemployment, what was hap-
pening with disability payments, edu-
cation for veterans, topics that most vets are very concerned about. They face some pretty significant chal-
 lenges, as we know.

We promise these men and women that if they put up their hand and swear by their country that they will risk their life for America, we swear we will be there when they come home. It is that basic. We have to keep our word. As a nation, we have a sacred pledge to take care of veterans who serve, I take it very seri-
ously—I think both parties do—and we should.

We also need to honor those who have lost their lives. Just a few weeks ago, we buried another soldier from that county. There was a huge turnout at the memorial service. One partic-
ular local resident was doing his part to honor our fallen heroes in an extraordinary way. I learned about him when I visited Tazewell County. He is from Little York, IL, and he is known as the Flag Man.

Larry Eckhardt is not a veteran, and there are no servicemen in his family. But in 2006, Larry Eckhardt at-
tended a funeral for a soldier from his area who had died. He said, “There aren’t enough flags here.” So on his own, Larry bought 150 American flags and started hauling them in his truck to military funerals all across my State. As he puts it, “I just honestly don’t believe there’s any such thing as too many flags for a soldier.”

Larry’s inventory of 150 flags has grown to 2,200 flags, and he can line them up to 14 miles of a fallen soldier’s final journey.

Traveling in his old 1999 Ford van, stripped down to one seat to make room for all the flags, he has now graced more than 80 funerals from Wis-
consin to Kentucky and Iowa to Indi-

ana, and most recently to the state of Illinois. Last year, Larry drove 40,000 miles with his flags to these funerals. He covers all the costs out of his own pocket and a couple donations from friends. When asked why he does it, he simply says, “It’s my way of giving back.”

Larry rarely uses the word “I.” He is quick to praise all the volunteers—often organized by veterans organiza-
tions—who help him stack the flags in the ground along the funeral proces-
sion routes. “Without them,” he says, “I couldn’t get them all done.”

In one instance over a long weekend, dozens of volunteers helped Larry in-
clude 2,200 flags to honor a 23-year-

old Army sergeant during his funeral. After the service, volunteers helped pack up the flags for the next stop. Volunteers ranged from kids as young as 3, assisting their parents, to an 83-
year-old woman, who wanted to help out in Orchardville, IL. When she was asked her reason for weathering the tough January Illinois cold to help, she said, “We can only bake so many tuna casserole.”

This story is what America and the State of Illinois are all about. It is the common man, such as Larry Eckhardt, following his heart and taking the ini-
tiative to do something extraordinary for our fallen heroes, and it is about a community rising to the occasion to lend its support and honor those who deserve so much of our gratitude. Larry may have said it best when he humbly stated:

This is my feeble attempt to say thank you to every soldier who has ever served and fought to protect the freedoms that I have.

This speech on the floor of the Sen-
ate is my feeble attempt to say thanks to you, Larry, and the countless Amer-
icans just like you who do their part to show our veterans how much their service means to each and every one of us. They embody the end-
during spirit and values that make America great and they make me proud to serve in the Senate and hum-
bled to represent my State of Illinois.

Thank you, Larry, and thanks to all the other Americans who are doing