love, and other organizations around the country. It is very important. I hope we can move forward on this bipartisan piece of legislation.

The ACTING PRESIDENT pro tempore. Objection is heard.

Mr. REID. I thank the Chair.

RESERVATION OF LEADER TIME

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

MORNING BUSINESS

The ACTING PRESIDENT pro tempore. Under the previous order, there will now be a period of morning business, with Senators permitted to speak therein for up to 10 minutes, with the time equally controlled between the two leaders, and Republicans controlling the first half of the time, and the majority controlling the second half of the time.

The Senator from Texas is recognized.

ORDER OF PROCEDURE

Mr. CORNYN. Mr. President, I ask unanimous consent to speak during our allocation of morning business for up to 20 minutes, with the Senator from New Hampshire, Senator GREGG, being reserved the last 10 minutes of that time.

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

INFORMED CONSENT

Mr. CORNYN. Mr. President, before I talk about the topic that brings me to the floor, I express my gratitude to the majority leader, Senator REID, for bringing up the freedom of information reform bill that Senator LEAHY, the Senator from Vermont, and I have been working on for a number of years. When I was attorney general of Texas, it was my responsibility to enforce our open Government laws, and I became a big advocate of greater transparency, more openness in Government, because I believe that only a public that is truly informed can give their consent. It has to be informed consent. That is, after all, the very fundamental basis for the legitimacy of all of our laws.

When I came to the Senate, I was pleased to see that Senator LEAHY, chairman of the Senate Judiciary Committee, had been very active in this area. We joined efforts in a bipartisan way to work on these reforms. I know Senator KYL has some concerns. He expressed those this morning. He has been good about working with us to try to work our way through that. I share his hope and aspiration that we can work through the differences and perhaps complete our work on those Freedom of Information Act reforms this week before we break for August. I think that would be a very positive development and one that is certainly worthy of the Senate.

QUALITY HEALTH CARE

Mr. CORNYN. Mr. President, I want to turn to the topic that will engage us for perhaps most of the remainder of the week, and that is ensuring that quality health care is available to the next generation. This is, and should be, a top public policy priority for the Congress. Certainly, it is one of mine.

I think there will be a lot of attention paid to the reauthorization of the State Children's Health Insurance Program that will be on the floor shortly. It is noteworthy that SCHIP, so called, was created by Congress in 1997 to fill a gap in our health insurance system. It was targeted at working poor families who had too much income to qualify for Medicaid but could not afford regular health insurance. This program has been enormously successful nationwide, lowering the uninsured rate by nearly 25 percent, and especially in my State of Texas, where we have about 25 percent of our total population currently uninsured. So this has gone a long way to make sure people got access to quality health care. Interacting with Medicaid, insurance coverage has been extended under this program to more than 1 million Texas children who would have otherwise not been covered. So SCHIP deserves reauthorization and renewal.

Unfortunately, the Senate Finance bill that will come to the floor seems to take us on a path toward a major step that failed in 1994, and that is a federally funded takeover of national health care. The Senate Finance Committee is proposing a near quadrupling—that is four times—of SCHIP funding that would increase taxes, weaken private insurance coverage, and create a new de facto entitlement program for middle-class families, all courtesy of the beleaguered American taxpayer. A close analysis demonstrates that, if enacted, the Senate bill would actually have the unintended impact of degrading health care for many children and will not be as nearly beneficial to Texas as a more modest alternative, which I intend to support.

The original SCHIP program—again, it is worth spelling out the acronym—State Children's Health Insurance Program—was limited to those families at up to 200 percent of the official poverty level or $40,000 for a family of four. But some States have found a way to expand coverage from first children, then to parents, then to childless adults, and then to families with much higher incomes. Some States, such as New Jersey, now use SCHIP funds to cover families with income of up to 400 percent of the poverty level—up to $82,600 a year for a four-person family. So that is what I mean when I say that SCHIP is now being transmogrified, transformed into a middle-class entitlement, if this finance bill were to pass.

Minnesota, instead of using the State Children's Health Insurance Program to target relatively low-income children, as Congress intended, spends 61 percent of SCHIP funding on adults; and Wisconsin spends 75 percent of their SCHIP funding on adults. If this were the U.S. military, we would call this ''mission creep.'' The Senate bill would encourage these distortions further. Nearly a third of the newly covered, some 2 million children, already have private insurance.

So let me be clear. What this bill, if enacted, would do would take some people who currently have private insurance and substitute taxpayer-paid-for insurance under this program because, of course, why would anybody pay for something that the Government starts giving away for free? They will drop their private insurance and many of the parents will decide to drop theirs as well, transferring these expenses to the American taxpayer.

But many SCHIP programs pay physicians at Medicaid rates; that is, the reimbursement for physicians—a reimbursement rate that is so low that many doctors simply cannot afford to take patients based on those Medicaid rates and, thus, they are refusing new patients. Ironically, the switch to Government-paid SCHIP could mean reduced health care for those recipients who decide to give up private insurance to get free insurance. But where reimbursement is at the Medicaid rate, where there are so few doctors who can afford to treat patients at those rates, children will end up with actually less care in some instances and not more.

Many supporters are happy because funding for this expanded program will be paid by tobacco users, through a 61-cent per pack cigarette tax increase. But the accounting is fundamentally flawed. To make it balance, the Senate bill pretends spending on this accelerating program will go from $8.4 billion in 2012 to only $400 million in 2013.

As our Republican leader notes, ''Does anyone seriously think Congress will decide to cut SCHIP by $8 billion in one year, so that millions who rely on it will lose their health insurance?'' Of course not. This is phony accounting. No business in America could run its operations this way, and the Federal Government should not try.

Supporters of the finance bill claim a badge of fiscal responsibility because this bill only uses $35 billion of the $50 billion budget authority it was given during this year's budget reconciliation. But the finance bill gets that additional $15 billion in budget authority by setting aside billions of dollars for a so-called incentive fund. The SCHIP program was designed as one huge incentive already for the States. The creation of this program says to the States: Go cover children; Congress will give you more money for doing that than we will for covering anyone else.

So why are we creating an incentive on top of another incentive? And these