

magazine article, which I recommend to everybody, when we have decided to make health care a “business proposition” where you can get several doctors together and open a cancer center, that becomes something in which you promote overutilization. And it is happening in parts of our country. We need to be concerned about that and try to evaluate what can we do together to deal with it.

One final point. Some of my colleagues march to the floor every single day and allege that a bill that doesn’t yet exist is going to be a government takeover of health care. Well, apparently they are clairvoyant, because we don’t yet have a bill. When that bill exists, they have every right to come to the floor and describe the facts about the bill. One would hope in this debate we could stick to those facts, but there is not yet a fact that allows somebody to say there is a government takeover of health care, because there is not yet a bill out of either of our committees. There have been some introductions of topics and legislative proposals, but that is far different than a bill from a committee. We will have undoubtedly a robust debate on this, and we should. Health care is a very important element in this country’s economy. It is growing, and growing too fast, and we need to deal with it to make sure all Americans have access to health care. A sick child should not have to wonder whether they get to see a doctor depending on how much money their parents have in their wallet or their bank account. That is not what health care ought to be in this country. So we can and will do much better.

I indicated I wish to talk about the future threats to this country, one of which is the march of health care costs. The second, in my judgment, is our unbelievable vulnerability on foreign oil and energy. The third is deficits. I will talk about the following two in the coming days as well.

Mr. President, I yield the floor.

The ACTING PRESIDENT pro tempore. The Senator from Texas.

Mr. CORNYN. Mr. President, the Presiding Officer wishes to speak for 5 minutes. I would be glad to speak after that. I ask unanimous consent that following the Senator from Virginia being recognized to speak for up to 5 minutes, then I be recognized to speak.

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

The Senator from Virginia is recognized.

Mr. WARNER. Mr. President, I am not sure whether we are in a quorum call.

The PRESIDING OFFICER. We are not.

TARP RECIPIENT OWNERSHIP TRUST ACT

Mr. WARNER. Mr. President, I rise today to discuss bipartisan legislation that I am cosponsoring with my col-

league Senator CORKER concerning the Federal Government’s recently acquired ownership stake in a number of private companies.

I think we all know the taxpayers have been on a roller coaster ride for the past 9 months, and from their perspective, each twist and turn has left us more deeply invested in troubled markets and oftentimes troubled companies. Americans are concerned about getting their money back and want to keep politics out of how we manage these investments we have had to make over the last few months.

Last week, Senator CORKER and I introduced S. 1280, the TARP Recipient Ownership Trust Act. What will this bill do? Three very simple things. First, it will remove politics from our management of taxpayer investments in private companies. Second, it will ensure these investments are managed in order to maximize taxpayer returns. Third, it will allow us to plan for removing the government from the private sector by setting a date certain for selling these investments.

To achieve these goals, Senator CORKER and I are proposing that if the government owns more than 20 percent of a private company we place that ownership stake in an independent trust. This trust would be run with a fiduciary duty for taxpayers by three independent directors appointed by the President. These directors would agree to perform this work for free as a service to the country and in doing so would give the American taxpayers what they deserve: the upside of the massive investments they have provided over the past 9 months. The trust wouldn’t be an open-ended ownership in these companies; the trust would have to sell all of these assets by the end of 2011, though they could ask for a brief extension if it were, again, in the interest of the taxpayers’ return. In this way, taxpayers can know we won’t own stock in these companies for the next 20 years. In practice, this means that taxpayer ownership of AIG, Citigroup, and General Motors would be managed in order to maximize the return on these taxpayer investments.

We have all seen how political and contentious the TARP program is becoming. I know back when we voted on this matter earlier this year how controversial it was. I still think it was unfortunate that we got into this circumstance but fortunately the right thing to do. While there are a lot of challenges about how we got into this program, if we did look around—actually, Steven Pearlstein of the Washington Post pointed out in an article recently that if 9 months ago, if 6 months ago, or even 3 months ago, back in the middle of March when the stock market was at its all-time low in terms of reacting to this crisis, any economist would have said by the end of June, would you be willing to look at a circumstance where the market was up 25, 30 percent—although it was a little bit down today—if many of the

banks we had invested TARP funds in were actually trying to repay those TARP funds, and if we had seen the housing market, at least in many communities, start to stabilize, would we view that as a good outcome. Well, that is basically where we are. While we have enormous problems, we are seeing some progress. But one needs only to look at the number of TARP-related amendments that have been filed in the Senate in these past months. As a matter of fact, the leader was speaking today about the number of TARP amendments that could potentially be on the travel bill that we will have before us to know that this has become a lightning rod.

Some of the reasons for this concern are truly relevant and they are because the American people don’t know when and how the TARP program is supposed to end. The American people, unfortunately, who invested in individual companies—some of the companies that now we have invested in—don’t know how much we as the public will get back, or whether we, as the public investment, will politically interfere with the management of these companies. That is, again, why we need to implement this legislation Senator CORKER and I have laid out that will put these ownership shares in this independent fiduciary trust.

I don’t support cutting off TARP right now or limiting the tools it currently provides the administration, including the limited reuse of money that is repaid to the government. TARP already has a sunset date after which more funds cannot be spent, and since markets are not back to normal, even though there is improvement, we shouldn’t prevent the use of the tools we currently have. But we do need to set parameters for managing our investments and winding them down in order to take the politics out of this program.

American taxpayers deserve to have their investments managed in order to maximize their returns. That is what the trust will do, and I hope we will consider using this model for other investments as well.

This trust will also help us take some of the politics out of the TARP program, and that is why I am proud of this legislation as bipartisan and led by my friend from Tennessee, Senator CORKER. I hope my colleagues will join in supporting this bipartisan legislation, S. 1280, the TARP Recipient Ownership Trust Act. While this measure won’t resolve all of our concerns surrounding TARP, I hope it can serve as a model to maximize the taxpayer returns on their investment.

Let me also take one additional moment to speak about another investment-related matter. Under the leadership of Senator JACK REED from Rhode Island, when the initial investments and the initial TARP plan were put together, Senator REED, I think appropriately, said if we invest in banks in addition to getting a traditional return, we, the public, who are taking

these risks ought to see some upside potential for taking the risks in terms of warrants. Luckily, the Congress went along with that and we did receive warrants from a number of the banks we invested in. I personally am very happy to see that a number of these banks are starting to repay the investments the public made. However, there remains the question: What are we going to do with the warrants? Senator REED and I have asked Secretary Geithner a number of times, and we hope he would also consider placing these warrants into some type of independent trust as well so that, again, we, the taxpayers, can receive the upside of these investments.

We took the risks with these banks during these troubled times. I am happy to see these banks return these funds. However, for the banks to buy back or sell back these warrants at what I believe today is still a discounted price would not allow us, the taxpayers, to maximize our investments. So, again, I hope Secretary Geithner responds to the requests that Senator REED and I have made in making sure that these warrants are appropriately put into the same type of independent fiduciary trusts that I am proposing for the private investments we have made under TARP.

I yield the floor.

Mr. CORNYN. Mr. President, I ask unanimous consent to speak for up to 15 minutes.

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

HEALTH CARE REFORM

Mr. CORNYN. Mr. President, health care reform is very much in the news and very much on the agenda of the Senate, as the American people know. So far, they have learned very little about how Congress plans to address what is broken in our health care system.

As the Presiding Officer knows, two committees in the Senate are primarily given the responsibility for writing a health care reform bill. Of course, the HELP Committee—the Health, Education, Labor and Pensions Committee—chaired by Senator KENNEDY, the Senator from Massachusetts, and the Finance Committee, chaired by Senator BAUCUS. The ranking member, of course, is Senator CHUCK GRASSLEY from Iowa. These two committees, as well as the President of the United States, are considering numerous proposals that deserve the careful attention of the American people and of Congress, because this legislation, however it turns out, could fundamentally affect the relationship between patients and their doctors as well as the relationship between the individual and our government.

In the Kennedy bill, which has been proposed and which is pending now before the Health, Education, Labor and Pensions Committee, there are several troublesome provisions. One, a govern-

ment-run plan which would compete, allegedly, with the private sector. But as we all know, the government is the 800-pound gorilla, and there is no true competition when government is involved. In fact, one projection is that as many as almost 120 million people would ultimately find themselves in a single-payer, government-run system, because essentially the Federal Government would undercut those private health plans to the point where individuals would find themselves with no choice other than to have the government direct their health care.

Another troublesome provision is the so-called pay or play mandate. It goes without saying, almost, but I will say it anyway, that small businesses create the vast majority of jobs in America. Yet this proposal, I think mistakenly, would impose a punitive tax on small businesses that are unable to keep their doors open and provide health insurance for their employees. We want to allow small businesses to provide health care to their employees by bringing down the costs, and we have a number of mechanisms to do that. But the idea that we are going to impose a punitive tax on small businesses that do not provide a health care plan for their employees will destroy jobs, so people will not only be without insurance, they will be without jobs, period—a bad idea.

Third, the Kennedy bill would provide new Federal subsidies to individuals making as much as \$110,000 a year—astonishing. At a time when we are looking at spending or borrowing as far as the eye can see and deficits up to \$2 trillion, unfunded liabilities in the tens of trillions of dollars, there is actually a proposal before the HELP Committee that would increase the size of Federal entitlement programs and increase the tenuous position of this Medicaid Program which would then fund health insurance for people making up to \$110,000 a year.

Fourth, the Kennedy bill would impose a medical advisory council.

I always get a kick out of the innocuous names given to some pretty sinister stuff up here. I would say it is sort of akin to calling the former Soviet Union's politburo an advisory council. In fact, this medical advisory council—comprised of unelected and unaccountable bureaucrats—would have the power to dictate personal health decisions.

I don't know anybody who thinks that is a good idea; certainly nobody I have talked to. This Kennedy proposal, with all due respect to our friend and colleague from Massachusetts, is chock full of bad care policies. The worst part of it is, they will not lower health care costs for people who have health insurance now. In fact, they will make our debt burden and the debt burden of our children and grandchildren much worse.

The price tag on government programs keeps growing and growing and growing here in Washington, DC. In

fact, the President's proposal for his budget this year projected a "downpayment on health care reform." Well, I have told people that where I come from we don't make downpayments on something unless we know exactly what it is we are buying. So far the American people don't know what they are being asked to buy.

Indeed, the other part of that—and this just staggers my imagination—is that we already spend almost twice as much as the next closest industrialized nation on health care per capita. We spend roughly 17 percent of our economy—our gross domestic product—on health care. Why does anybody think it is a good idea to spend even more? If we were getting a good value for that spending, that would be one thing, but we know this current level of spending is full of fraud and waste and other problems. So why in the world would we want to make matters worse by spending more money on top of a flawed health care delivery system?

Talking about money—and I know it is hard to imagine how much we are talking about—it used to be that \$1 million was a lot of money; then a billion dollars seemed like a lot of money—and it is—and now we are sort of becoming increasingly immune to these big numbers when people talk about trillions of dollars and more. For example, earlier this month, the proposal that Senator KENNEDY made—that is pending now in front of the Health, Education, Labor, and Pension Committee—was scored by the Congressional Budget Office, which is responsible for giving us good numbers in an impartial, nonpartisan way, so we can make sound policy decisions. They said the Kennedy bill would cost more than \$1 trillion over the next 10 years. The problem is, that was only for part of the bill. In other words, that was not the complete cost of the bill proposed by our friend and colleague from Massachusetts, Senator KENNEDY.

To make matters worse, the Congressional Budget Office said the bill would only cover one-third of the uninsured. Ironically, it would ultimately chase millions of people off the insurance coverage they have right now. So it strikes me as a very bad answer to a very real problem.

Last week, we also learned of the Congressional Budget Office's estimate for the Senate Finance Committee proposal—the second committee that is dealing with health care, and the committee on which I am privileged to serve. Here again, the Congressional Budget Office—the number crunchers, the folks with the green eyeshades who try to call them as they see them so we can take that into account in determining policy decisions—said the proposal coming out of the Finance Committee would cost \$1.6 trillion more over 10 years. So on top of the 17 percent of our gross domestic product, we are talking about proposals that would spend \$1 trillion to \$1.6 trillion of additional money on top of a broken system.