

large cap companies start to spend out as well, it is important to the overall economic recovery.

I would ask my friend and my colleague, the leader on this important piece of legislation, if she might have some ideas as well about how we meet that appropriate long-term financial goal of making our financial standards appropriate, but not send this mixed message to regulators so that those small business loans that are still performing have the appropriate forbearance to get through this trough in the recession.

The PRESIDING OFFICER. The Senator from Louisiana is recognized.

Ms. LANDRIEU. Mr. President, the Senator from Virginia is absolutely correct. He has put his finger on two pending and very serious problems. One is the regulation direction being driven by some of the new legislation we have passed. Of course, he would know this, because as a member of the Banking Committee, he has been such a strong advocate for commonsense regulation and supporting community banks. So he is absolutely correct. And you do have my commitment, through the Small Business Committee, to keep this issue alive and in view so that we can find some appropriate solution. I think the Senator raises an absolutely very key point.

The second point the Senator from Virginia has put his finger on is the \$2 trillion in capital sitting there. One thing that makes further interest is the zero capital gains rate in this bill, should they take some of that \$2 trillion in capital and invest in some small businesses that have a capitalization level below \$50 million. That is one thing that could help encourage them. They will pay no tax, none, on the money they earn through that investment, which should be an incentive.

But there are some additional things I think we can do. I want to work with the Senator from Virginia because his leadership is very much needed at this time, with his particular background as a successful business person, as a Governor. So the Senator is right, this bill is not a silver bullet. It is a good first step. But there are some other things we need to do as quickly as we can. I look forward to working with the Senator on those two and others in the weeks to come.

Mr. WARNER. Mr. President, again I will close my comments and thank the chairman of the Small Business Committee for her leadership on this bill. We would not be here today but for her relentlessness on this legislation.

This legislation has had more hurdles, many of them false hurdles, put in its face, and Senator LANDRIEU does not know how to say no when it affects the well-being of small businesses, which are the lifeblood of job creation coming out of a recession.

I thank her for her leadership.

I yield the floor.

Ms. LANDRIEU. Mr. President, I ask unanimous consent that the time in re-

cess for the caucus luncheons count postcloture.

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

RECESS

The PRESIDING OFFICER. Under the previous order, the Senate stands in recess until 2:15 p.m.

(Thereupon, at 12:40 p.m., the Senate recessed until 2:15 p.m. and reassembled when called to order by the Presiding Officer (Mr. BEGICH).

SMALL BUSINESS LENDING FUND ACT OF 2010—Continued

The PRESIDING OFFICER. The Senator from Oklahoma.

Mr. INHOFE. Mr. President, I ask for the regular order.

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

Mr. INHOFE. Mr. President, I ask unanimous consent to be recognized as in morning business for such time as I may consume.

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

DON'T ASK, DON'T TELL

Mr. INHOFE. Mr. President, with all the talk about the small business bill and about the fact that we have an administration, with a majority in the House and the Senate, that has amassed unbelievable debts, raising it up to \$13 trillion, and a deficit of \$1.4 trillion in just 1 year, the first year, people have forgotten other things that are going on.

I am very much concerned, being the second-ranking member of the Senate Armed Services Committee, about the national defense authorization bill, which we have passed every year in all the years I have been here. Generally speaking, it is one we can bring out on the floor, Members can offer amendments, and normally it takes 2, 3, sometimes 4 weeks, and longer, to pass it. But certainly, particularly during times of war, it is the most important piece of legislation we have.

I do not know what the majority is going to do. I just keep hearing rumors that they may very well not be wanting to bring it up or may bring it up by "filling the tree," a little technical term, so Republicans would not be able to have amendments on the bill.

Well, this is very much a concern of mine. I think it puts them in a position where they can say: Oh, Republicans certainly are going to vote for the Defense authorization bill. In times of war, we have to do it. Well, we do. But there is a limit as to what they can put in there that is purely right down party lines.

There are a couple issues I wish to talk about in the Defense authorization bill that ended up being right down party lines. One is the issue of don't ask, don't tell. But before doing that, I would like to suggest that in May, in the final meeting we had of the

Senate Armed Services Committee, we passed this out, and two amendments were added on the very last day by the Democrats, and they were passed virtually by all the Democrats right down party lines. One was opening our military hospitals for abortions, and that is something we need to talk about, but the other one was one we need to talk about more right now because this is the issue that so many people are not aware of. That is the repeal of don't ask, don't tell.

I remember back in 1994, I was in the House, running for the Senate, and one of the three issues that was very prominent in that race, which I won, concerned gays in the military. At that time, there were some efforts saying: Well, we want to acknowledge gays in the military so they can be open in their practices and all that. Well, a compromise was reached that I did not think at the time was all that good of an idea. But that was 1993, I guess, the latter part of 1993. It has worked for what—17 years. It was called don't ask, don't tell; that is, if someone wants to serve who is a gay person, a man or a woman, in the military, that person can do it if that person is not out in the open. The whole idea of this thing was so they could not use the military as a forum to advance very liberal causes.

I am a veteran. I can remember when I was in the U.S. Army, and anyone who is a veteran knows the problems that would be associated with the practice of repealing don't ask, don't tell so people are openly gay in the military. You are going to have all kinds of billeting and other problems.

So I think when the discussion came up that we were considering doing this, the Secretary of Defense, Secretary Gates, did the right thing on February 2 of 2010. He said: Let's go ahead and have a study. Let's have an independent study as to how unit cohesion and readiness would be impacted if we repealed don't ask, don't tell.

In addition to the study, this is also going to conduct a survey of military members, people who are out there, in asking: Well, what is your feeling? You are out there in the fields, in many cases, out in the foxholes. What is your feeling about having open gays in the military?

So they were all getting ready to respond to this when a surprise took place, when the Democrats, almost straight down party lines, came out and said: Well, we are going to go ahead and repeal it anyway. They worded it in such a way that we will repeal it, but, of course, that will not take place until after the study is complete. The study was to be completed in December of this year. It was going to be a 12-month study. All the Members of the military were going to participate in that.

I can remember as recently as April 28 Secretary Gates and the Chairman of the Joint Chiefs of Staff, Admiral Mullen, said—and this is a joint statement: