

Social Security and Medicare, as those children born immediately after World War II reach retirement age. That is a reality.

What do we do about it? First, we make sure Social Security can be counted on. Social Security does not add one penny to our Nation's debt. It is a separate fund. It will make every promised payment for another 25 years, with a cost-of-living adjustment, but then runs into trouble. You will see a reduction—if we don't do something in the 26th year—by over 20 percent for each benefit payment. Unacceptable. So we should think in honest terms about what we do today—small changes we can make today in Social Security—which, when played out over 25 years, like the miracle of compound interest, will buy us an even longer life in Social Security.

I think there are reasonable ways to do that. For example, when we passed Social Security reform in 1983, we said 90 percent of wages in America should be subject to Social Security taxation. Over the years, by not raising the ceiling on wages that could be taxed for Social Security, we have fallen behind in the 90-percent standard. I think we are close to 84 percent now. If we were to go back to the 90-percent standard, which I think is reasonable, and raise the eligible income in America for Social Security deductions up to 90 percent, it will move us toward solvency—more solvency—for Social Security. It is money that will not be used to reduce the deficit but will be used to invest in Social Security. I think that makes sense.

There are other changes we can do that are reasonable. We also have to look at Medicare and Medicaid and acknowledge the obvious. The cost of health care is going up too fast. We can't keep up with it, neither can State governments, local governments, businesses, unions or families. So the cost containment in health care reform is just the beginning, but we need to continue the conversation, and we need spending cuts.

Let's be very honest about it. We have taken a pretty significant cut in domestic discretionary spending just this year—even more than the Bowles-Simpson commission envisioned. There is some risk associated with spending cuts in the midst of a recession. But now we need to ask the defense or military side of discretionary spending to also make some sacrifice.

I think one obvious way is to start bringing our troops home from overseas—bring them home from Iraq. It is estimated it costs us \$1 million per year for every soldier in the field—for all the support that goes into training and sustaining and protecting our men and women in uniform, which we must do. It is an expensive commitment. As we reduce our troop commitments overseas, the amount of money being spent through the Pentagon will be reduced as well.

We need to take a close look at all the private contractors working for the

Pentagon. We had a hearing of this deficit commission and asked the expert: Can you tell us how many employees there are at the Department of Defense—civilian, military—how many private contractors are working for the Department of Defense? The expert said: I have no idea. I can't even get close to giving you an estimate, but it is a dramatically larger number. We can reduce that spending, and we should.

The point I am making is that after we have taken care of the entitlement programs and the spending issues, that isn't enough. We need to talk about revenue—revenue that can be brought into deficit reduction. Every year our Tax Code gives deductions and credits, exclusions and special treatment that account for \$1.1 trillion that would otherwise flow to the Treasury. Instead, it is money that isn't paid into taxes and into our government. We can reduce that tax expenditure and do it in a fair fashion by reforming the Tax Code in a meaningful way—as the Bowles-Simpson commission suggested, bring down tax rates as part of this conversation.

That, to me, is a reasonable approach. It parallels what was done in the Bowles-Simpson Commission, putting everything on the table and reducing our deficit over the next 10 years by at least \$4 trillion. I think we can do it, and we should do it on a bipartisan basis.

The Republican budget plan, unfortunately, takes the wrong approach. The House Republicans have proposed, among other things, a fundamental change in how we pay for health care. It turns Medicaid into a block grant program, and it eliminates the affordable health care act. One of the sources of pride we all shared was the notion that 30 million Americans currently uninsured would have insurance protection under the affordable health care act. What the Republicans do in repealing it is to add to the number of uninsured in America, thus making it clear they have no place to turn in their extreme situations but to Medicaid. So on top of eliminating the affordable health care act, adding to the number of uninsured Americans, the Republican plan then limits the amount of money to spend on Medicaid. The net result is more and more people uninsured seeking Medicaid help with no funds to pay for their medical treatment. That is not a good vision for the future of America.

We had a presentation today at our Democratic caucus lunch. The presentation was made by Senator KENT CONRAD, the chairman of our Budget Committee. He and Senator STABENOW of Michigan talked about what the Medicare changes would mean in America, and what it basically means is the average senior citizen, under the Republican budget plan, will see their Medicare benefits cut and will find their out-of-pocket expenses to maintain current Medicare protection double—over \$12,000 a year.

There are many seniors in Oregon and Illinois and across the Nation on fixed incomes. That is not a reasonable alternative—\$1,000 a month on Medicare insurance premiums? That is the Republican budget plan. It is not a reasonable way to deal with our future challenges in health care.

We will have a chance to vote this week on the Republican budget plan, and it will be interesting to see how many on the other side of the aisle want to support the approaches I have just described. Already, some of them have announced they will not. They think it goes too far. I do too.

I hope we can reject the House Republican plan on a bipartisan basis, but then let's come together in a bipartisan fashion and try to find a reasonable way to deal with this deficit. I hope we will use the Bowles-Simpson Commission as a starting point because I think it is a good one. Let's maintain some fealty toward our values, our values as a country that take care of the vulnerable whom we will always have among us, and make a pledge that our Tax Code will be progressive so working families have a fighting chance, and try to at least share the burden of sacrifice in a reasonable and just manner.

Those who are better off should pay more. Those who are less well off should pay less. I don't think that is an extreme position. I think it is a sensible, humane position.

Our debate begins this week on the budget. We have a great challenge ahead of us. I hope some of the work we did on the deficit commission will help us reach a positive conclusion.

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.

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

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

MORNING BUSINESS

Mr. DURBIN. Mr. President, I ask unanimous consent that the Senate proceed to a period of morning business, with Senators permitted to speak for up to 10 minutes each.

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

GANG RESISTANCE EDUCATION AND TRAINING PROGRAM

Mr. WYDEN. Mr. President, I ask the Senate to join me in honoring the 20th anniversary of the Gang Resistance Education and Training—GREAT—Program and to commend law enforcement agencies across the nation for their dedication to educating America's youth in gang resistance.

Founded in 1991 with the support of Congress, the GREAT Program is a school-based curriculum led by law enforcement officers to instruct students