

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 President, I ask unanimous consent that the order for the quorum call be rescinded.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

#### DEBT CEILING

Mr. HOEVEN. Mr. President, I rise this morning to speak to the need to come to an agreement. We need to come to an agreement on how we handle the debt ceiling. We need to come to agreement on addressing our Nation's deficit and debt.

Let us review where we are right now. If you look at our fiscal situation, right now the Federal Government takes in revenues on an annual basis of \$2.2 trillion—\$2.2 trillion—a year, but at the same time we are spending \$3.7 trillion. That is a shortfall, or a deficit, of more than \$1.5 trillion a year.

I look at these young people here in this Chamber—these great pages from all over the country—and I think about what that means not only for us today—for our economy, for our standing in the world, for the security of our country—but I think about what it means for future generations. What is it we leave them? Do we leave them a country that was founded on the concept of freedom and liberty, that people could pursue life on their own terms, raise their families the way they wanted to raise their families, live the way they wanted to live, do the work they wanted to do, have an opportunity to start a business, to build a life, and be successful and pass something of value on to their children?

I think that is what we all want. That is the Nation we have—the Nation we have had for over 200 years. That is the Nation we want to pass on to these great young people.

So we have had tremendous debate for an extended period of time—for a long time. Many good ideas have been brought forth by both sides of the aisle, by Republicans and by Democrats, on how we should address this debt ceiling agreement, how we should address the deficit and the debt. Nobody has the corner on good ideas. There have been many good ideas brought forward, but now is the time we have to realize we have to come to agreement. The American people want us to come to an agreement.

Today the House is considering the Budget Control Act of 2011, referred to as the Boehner proposal, and they are over there working on it right now. As with any agreement, somebody can certainly find something to criticize. That is always true. No agreement is perfect. But it does represent many of the ideas that both sides have brought forward as a way to come to agreement on this debt ceiling and, more importantly, as a way to start to get our fiscal house back in order. Let's talk about it for just a minute.

Under the proposal, first there would be a reduction in spending, a savings of

more than \$900 billion, and that would also provide for a \$900 billion increase in the debt ceiling to get us past this immediate issue. Then, at the same time, it appoints a committee—not a commission but a committee—of Senators and Representatives, 12 members—6 Senators, 3 Republican, 3 Democrat; 6 House Members, 3 Republican, 3 Democrat—who are required to find at least another \$1.8 trillion in savings. Those savings have to be found before there is another increase in the debt ceiling.

That is the right way to do things. That is getting the horse in front of the cart, not the reverse. So they have to find those savings in a bipartisan way, and they have to bring those concepts back to the House and to the Senate, and the House and the Senate will have a straight up-or-down vote—the elected representatives of the people doing their job for the people in an open and transparent way.

Think about this committee for a minute. Again, there are 12 members: 6 Republicans, 6 Democrats; 6 Senators, 6 Members of the House. They can bring forward all of these great ideas that have been debated in recent months. They can bring forward ideas from the Simpson-Bowles Commission that have gained support. They can bring forward ideas from the Gang of 6 that people believe are meritorious. They can bring forward ideas for savings. They can bring ideas forward for reform. They can bring ideas forward for tax reform that don't raise taxes but actually eliminate loopholes, reduce rates, create a progrowth environment, and the revenues come from a growing economy, not from higher taxes. They can come forward with all of these ideas and more.

But the important point is they must come forward by November with \$1.8 trillion in savings to help get us back on the right path, the right path to good fiscal management. The debt ceiling is not increased in that second step until they do. That is making sure we fulfill our responsibility and do things in the right order.

Then this bill also provides that we have a vote on a balanced budget amendment, and that vote on the balanced budget amendment must be sometime between October 1 and the end of the year. Myself and others have cosponsored a balanced budget amendment, and I strongly believe that is what we need.

I understand there are differences of opinion, but when we look at the situation we recognize we need that fiscal discipline in Washington, DC. If we just think about it for a minute, a balanced budget amendment, how does it work? Well, it works in a way that gets everybody involved, not just in Washington, DC, but throughout this great Nation—because what are we doing? By passing a balanced budget amendment in the Congress, which we have to do with two-thirds of the Senate and two-thirds of the House, what we are doing is

starting that balanced budget amendment on its way traveling throughout this country and saying to the people of this good country: What do you want to do?

Why not ask the people? That is how our democracy works. Why not ask them: Do you want to make sure we have a balanced budget that requires Congress to see that, year in and year out, we are living within our means?

Forty-nine States have either a constitutional or statutory requirement to balance their budget to live within their means. Cities do, counties, families, businesses. Since three-fourths of the States would have to ratify that balanced budget amendment as well, we say to them: Look, we think we need a balanced budget, and we are going to make sure you have an opportunity to say what you think. I believe that is exactly what we should do.

I bring experience as a Governor. I served as a Governor for 10 years, and we were required to balance our budget every single year. We went to the people and we talked to them.

We said: Here is the plan. We don't have the dollars right now to fund all the things you want. This was back in 2000–2002 when we actually had to reduce our budget, make reductions across the board. We said: But do you know what we are going to do? We are going to make sure we live within our means and we create a progrowth environment, legal taxes and regulatory certainty that will enable business expansion, business growth, entrepreneurship, private investment, and get this economy growing, get jobs, get economic growth. Then with that growth we will make sure each year we fund our priorities; that we set some aside, some reserve aside for a rainy day, and that we do our best to continue to reduce the tax burden on our hard-working citizens. It doesn't happen in a week, it doesn't happen in a month, a year, or 2 years. It takes time to build to the position that you want. But we can do it. We have done it before.

If we look at the late 1980s, coming out of the stagflation of the 1970s and the early 1980s, in the late 1980s we had stagflation—meaning high inflation, meaning high unemployment, an economy that was moribund, people weren't working, a growing deficit. But by creating a progrowth environment and good fiscal management from the late 1980s over into the decade of the 1990s, we not only put people back to work, we eliminated that deficit and we built a surplus. We can do it again. It is all about the right approach.

So here we are today. Today we need to take that first step, and I come back to where I started. It may not be the plan exactly the way everybody wants it, but it is a plan that we can approve, and it brings together concepts that people on both sides of the aisle have brought forward. So now we need to come together and do our work for the American people. We need to come together and pass this agreement.

Mr. President, I yield the floor, and I 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.

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

The PRESIDING OFFICER (Mr. BROWN of Ohio). Without objection, it is so ordered.

Mrs. HUTCHISON. Mr. President, I rise today to speak about the looming August 2 deadline. This is when the Department of the Treasury estimates the Federal Government will officially hit the \$14.2 trillion debt ceiling. We all know we are at the point where we are because we have a fundamental difference in principle on how our government should be run. At the same time, most agree that our country cannot go into default, so we are in a very tough situation with a very short time period.

That is why I am concerned about the delay on this issue. Delay means harm—harm to Americans and harm to our economic recovery, especially as we grapple with a 9.2-percent unemployment rate, which is the elephant in the room. We must address jobs if we are going to have an economy that is thriving and in a recovery period. A jobless recovery is not a recovery.

The administration's reluctance to resolve this crisis has brought the very real potential of a downgrade in our country's triple A bond rating. As we get closer to next Tuesday, Standard & Poor's and Moody's and other rating agencies await the details of the final debt agreement. Then they will determine if our Nation's triple A credit rating will be downgraded. The implications of the rating could affect consumers at a very bad time. It could include a rise in interest rates on home loans, on small business loans, on student loans, and credit cards.

Yesterday the stock market fell nearly 200 points, a 1.6-percent drop. That was the third straight day of stock market decline. It leaves the Dow Jones Industrial Average down 3.3 percent and nearly on track for its worst week since August of 2010.

The threat of a downgrade is also hurting our dollar. The dollar's value fell and hit a new 2011 low against the Japanese yen and a record low against the Swiss franc.

Two things are clear. First, uncertainty and anxiety are prevalent, domestically and in the global markets. Second, this anxiety underscores the need to address our debt ceiling and deficit reduction simultaneously. While the fundamental principles on which we base our solutions to this crisis are vastly different, I do believe that both sides of the aisle in Congress and both Houses of Congress share the same goal.

The Senate majority leader and the House Speaker have put forward plans. I believe we must find a common

ground between the House and the Senate with the proposals that have been put out by the Group of 6, by the majority leader, by the minority leader on our side as well as the Speaker on the House side. There have been a lot of proposals and there have been good parts in several of these proposals where we need to come together and find the best parts that we can agree on, knowing we are a divided Congress and a divided government, and move forward to a conclusion.

We can get meaningful immediate spending cuts as well as caps on future spending. That would be a very important achievement. It would be a major step forward because that is not where we were when we started. Spending cuts and caps on future spending would be a major step in the right direction. We can allow the debt limit to increase in proportion to the cuts, the real cuts. We can do this without tax hikes, because the fact is, the idea that we can tax our way out of debt has been completely repudiated. So we can cut spending, we can cap future spending, we can raise the debt limit in accordance with those caps, and without any new taxes.

That is a significant achievement as well because certainly the President was talking about increasing taxes, increasing taxes, increasing taxes when this whole negotiation began. We on our side have stood firm against new taxes, knowing this is a very fragile economic time in our country. If we want people to be hired, if we want the unemployment rate to come down, we cannot saddle our small businesses with new taxes.

We can send a clear message to the markets and to our debtors that we can stop spending too much so we will not need to tax any more, and we certainly do not want to borrow as much and have the drag we see on our economy. Americans know that in Washington we are spending too much, we are taxing plenty, and we are borrowing too much.

There is more we can do. We will not get to a balanced budget without looking at entitlements because the discretionary spending is such a small part of our total budget. Our entitlement programs are the major part of the need for reform. Our entitlement programs are nearly bankrupt. If left unchanged, our promises to current and future beneficiaries will be broken.

Mandatory spending is the long-term driver of our debt problems. The Federal Government spends approximately \$2.1 trillion a year on entitlement programs, about two-thirds of our total Federal budget. I have introduced a bill, the Defend and Save Social Security Act, that would put that very important program on a fiscally sound path without cutting core benefits or raising taxes. My proposal will cover the 75-year shortfall, and anyone who is currently 58 years old and above will have no effect whatsoever with the gradual increase in retirement age. The

beginning of the increase in retirement age would start with people who are under 58, and then it would be only 3 months a year. So if you are 57 you would only retire 3 months later. If you are 56 it would be 6 months later to start on Social Security.

The Senate majority leader and the House Speaker have offered proposals that call for a bipartisan, bicameral congressional committee to fix the fiscal imbalance in our Nation's finances. It is imperative that this joint committee—if it is passed by both Houses of Congress—confront entitlement reform. Entitlement reform is at the core of any long-term solution to our Nation's financial problems. If we act now, we can make progress in a very gradual way, and if we wait, it is going to be much more stark and much more problematic for people who depend on Social Security or Medicare. The opportunity to raise our debt ceiling is a defining moment in the future of our government. Let us confront the problem today and not delay the inevitable.

The more we delay, the harder it is going to be, and we have seen how hard it is already. We know this has not been an easy process because the talks between the White House and Members of Congress have fallen apart. The talks between Members of Congress on both sides of the Rotunda have fallen apart. We know this has been hard, so let's try to act now to stop it from being harder in the future, which it will be if we don't address our entitlement reforms.

I support a two-step approach. Let's take the first major step—a downpayment of almost \$1 trillion. That is the first step for all of us—to cut spending by nearly \$1 trillion. The second step is long-term deficit reduction that will cut more spending over a 10-year period and address entitlement reform. This can be done in a gradual way but without touching the core benefits, but we have to act now. If we don't, it will not be able to be done.

The financial viability of our country is at stake. The time is here—it is past here—to take the necessary steps to get our fiscal house in order, and I implore my colleagues to take those steps now.

Thank you, Mr. President.

I yield the floor.

The PRESIDING OFFICER. The senior Senator from California is recognized.

Mrs. FEINSTEIN. Mr. President, I have served in this body for 19 years, and I will say I have never been more dismayed, more concerned, or more frustrated than I have been these past few days. Every day it gets a little bit worse because day by day our country grows closer to defaulting on our sovereign debt. That is something which has never, ever happened in the history of this country.

The repercussions of this protracted and public debate on whether our government will honor its financial obligations are already evident. This is what

we know for sure: The stock market has seen several days of decline as investors sell off securities. The United States is at high risk of a credit downgrade. Gold prices are climbing as people try to protect themselves from a rating downgrade and a drop in the value of the dollar. In short, default may well have catastrophic economic consequences domestically and internationally.

What is the message we are communicating to the world? Secretary Clinton told me in an evening conversation I had with her—she had just returned from visiting five countries. She said everybody was asking her: What is wrong in your country? What are you going to do?

This is now a worldwide crisis and one we must address. What we are seeing here is, in a sense, a broken government that can't take care of the affairs of its people in a prudent and practical way.

It is absolutely amazing to me that 20 to 70 Members of the House of Representatives believe they can run the government of the United States despite the fact that the Presidency and the majority in the U.S. Senate are controlled by another party. Essentially, they appear willing to allow this great Nation to default rather than compromise and reach a practical solution.

What are the consequences of default for American families? For sure, default would raise interest rates, driving up costs for everyone. For sure, the cost of owning a home, buying a car, buying food, filling a gas tank, and sending children to college will become even more expensive. It will squeeze already tight family budgets and damage this fragile economy. Many people predict a second dip recession. In essence, default causes an immediate tax increase in the form of these rising interest rates on families.

The talk of default is disrupting financial markets and will trigger a sharp fall in the stock market, causing huge losses in retirement accounts and wiping out the gains of 2 years. This morning, I saw a TV story about a man who was selling his mutual funds because he has no confidence in our ability to resolve this crisis—not a good thing to do.

Higher interest rates will also drive up costs for both the Federal and State governments because every 1 percent increase in interest payments for the Federal Government means an additional \$100 billion cost to the government. A default will be devastating for State governments that would see their borrowing costs dramatically increase because their ability to borrow is tied to the interest rates paid by the Federal Government.

The cost of borrowing for States, for municipalities, and for local water districts will all rise. Let me give you an example. My own State of California recently took out a \$5.4 billion loan from five major investment banks

ahead of a possible default to ensure itself against rising interest rates. Here is the sixth largest economy on Earth worried that their interest rates are going to jump, so they take out a \$5 billion loan from investment banks to be able to meet any increased interest on obligations owed.

For the broader economy, default would mean hundreds of thousands of jobs lost every year, according to the Federal Reserve. Chairman Bernanke said:

The economy may be thrown into reverse and employers would start cutting jobs if Congress fails to raise the Nation's legal borrowing authority.

I have heard some say that on August 3, the Treasury will still have enough money to meet our obligations and avoid default. That is simply false. According to the Bipartisan Policy Center, the U.S. Government has \$306.7 billion in payments due in August and will take in an estimated \$172.4 billion in revenue for the month. That is a \$134 billion shortfall for the month of August, so the Treasury will not be able to pay its bills. In other words, 44 percent of U.S. Government bills will go unpaid if the Federal Government fails to raise the debt ceiling by the August 2 deadline.

Treasury would be forced to spend all income inflows covering just six major items: interest, Medicare, Medicaid, Social Security, unemployment insurance, and defense vendors. That would mean entire Federal Departments would have no funds, including Justice, Labor, and Commerce. It would mean no funds for veterans' benefits, Active-Duty military pay, IRS refunds, special education, Pell grants, and more. There is simply no way to escape it.

Let me give you an example. On the next day, which is August 3, the Treasury will take in \$12 billion in revenues, but it will still owe \$32 billion in revenues. Let me tell you what that includes. It includes \$23 billion in Social Security payments. I understand 45 million checks are ready to go out during those days. It is \$2.2 billion for Medicare, \$1.8 billion for education, and \$1.4 billion for defense.

If the debt ceiling is not raised by August 2 or if we only reach an agreement for a short-term extension, the already-spooked credit rating agencies could react unfavorably. And here is the problem: Do you want to go back to this same situation in 6 months and go through this all over again? It makes no sense. If the marketplace wants stability and constancy, they are clearly not going to get it knowing this is going to be coming up in 6 months again.

Moody's has said it is possible our credit rating would go down with a short-term increase and warned that an agreement should get us through the year 2012. All right, don't pay attention to it, but that warning is out there. It is going to take getting through the year 2012, according to at least one of the rating houses.

Fitch has said a deficit deal must be credible and sustainable or U.S. ratings could still be downgraded. Does anybody believe it is credible and sustainable to do this for 6 months and be right back where we are today? I don't think so.

Standard & Poor's has said it may lower the country's long-term credit rating if it concludes that future adjustments to the debt ceiling are likely to be the subject of political maneuvering—not my words, their words. Do you want to go through this in 6 months again with the same results and creating all of the uncertainty for the 6 months between now and then? I don't think so.

In other words, these rating agencies have very real questions about the willingness and ability of this Congress and the administration to timely honor scheduled debt obligations.

Now, I have to say this—and I have been here for 19 years—I have never seen a time when Republicans just do not want to come to an agreement with this President. The President, I think by any standard, has bent over backward, and still Republicans walk away from the negotiating table. Well, let me tell you, I have done a lot of negotiations in my time with big labor strikes and work stoppages—

I would ask unanimous consent for 5 more minutes.

The PRESIDING OFFICER. Is there objection?

Mr. CORKER. I was given an 11:10 time and saw that we were alternating. I have a conference call. I am glad for the Senator to finish, but if she could make it even shorter than that, it would be appreciated.

Mrs. FEINSTEIN. How about 3 minutes?

Mr. CORKER. OK.

The PRESIDING OFFICER. Is there objection to the unanimous consent request for 3 minutes? Without objection, it is so ordered.

Mrs. FEINSTEIN. Mr. President, there were 2 months of negotiations with the Vice President, and Majority Leader CANTOR walked out. There were negotiations with the President and Speaker BOEHNER, and the Speaker walked out. House Republicans do not like Simpson-Bowles, nor do they like the Gang of 6 plan. These are the two big plans which offer a solution for the future. Instead, they want massive cuts to Medicare, Medicaid, Social Security, and discretionary spending and absolutely nothing from those Americans who are doing very well in this economy—actually, the top 1 percent.

Well, I represent 37 million people. California is bigger than 21 States and the District of Columbia put together. Fifteen million to twenty million people in my State depend on programs the Republicans want to take a meat axe to—not a scalpel, but a meat axe—SSI, Social Security, Medicaid, and Medicare. We have gotten these numbers. We have looked at them for overlapping, and I can truthfully say the

number is 15 million to 20 million. Well, look, I want to know how a cut is going to affect these programs.

We could do this if we agree to take 6 months, draft in bill language from the Gang of 6, mandate the hearings, and fast track a bill to the floor of the Senate. Every Member of this body knows it is bill language that spells out what we need to look out for. I need to look out for what happens to the Medicare provider tax because so many hospitals in my State depend on it. If it lasts until 2014, it is OK, but I don't know.

I very strongly believe there is a solution and that reasonable people can work it out, and I hope the leadership of this body will talk with the leadership of the other body.

I thank the Chair, I thank Senator CORKER for his courtesy, and I yield the floor.

THE PRESIDING OFFICER. The Senator from Tennessee.

MR. CORKER. Mr. President, it is interesting. I have some of the same concerns, maybe with different outcomes, as the Senator from California, but I agree we have not done our work.

Over the course of a little over a year, I have been traveling around the State of Tennessee making citizens aware of the unsustainable deficits our country has. I am sure people on the other side of the aisle have been doing the same. After townhall meetings all across our State in almost every forum my colleagues can imagine—I am sure the Presiding Officer has done the same—people are very aware in my State, as they are across the country, of the fact that we are on an unsustainable course. We are now beginning to have investor publications—the Wall Street Journal this morning wrote an editorial about the fact that no matter what we do regarding the actual proposals before us today, it is likely our country is going to be downgraded. So, here we are, faced with a situation where the types of legislation we are looking at—in both Chambers, I might add, in both Chambers—probably will take us to a place where our country's debt is downgraded.

I wish to first applaud both leaders—Senator REID for bringing forth a proposal today or over the last few days, and Speaker BOEHNER, the leader of the House, for doing the same on the House side. What I wish to say about that is while to me they don't meet the goals or don't meet the test our country needs to have met at this time, at least we are finally talking about proposals that will reduce spending in this country and put us back on a sustainable path. So I appreciate the leadership of both bodies. Finally, after many months, we are on the right topic.

What I have said all along is that as we approach the debt ceiling, we need to dramatically change the character of spending in this country. My concern is that our work is not quite done. The fact is there is no question of the deadline coming up. Everybody agrees

it is, at least the minimum, August 2. I don't think there is any dispute that we have until August 2 to deal with this issue. I also don't think we have yet come up with a solution we need to come up with to dramatically change the character of spending in this country.

What I would say is, look, our work is not quite done. The House has a bill that basically reduces spending over the next decade by \$1 trillion. Candidly, I think we all know that is not a solution that is going to prevent a downgrade in this country. It does have the goal of kicking this to a select committee of some kind that is going to try to incorporate another \$1.8 trillion in cuts. Candidly, that is a big step back from where I think we were a weekend ago, where at least on the cut side—even on the cut side—even the President had agreed to at least \$3 trillion in cuts. That is our understanding. So what we have coming out of the House right now is a bill that doesn't cut as much as the President had agreed to last weekend. We have on this side a bill that cuts about \$1 trillion after it has been scored. Again, I applaud the leader of the Senate for putting forth a bill that at least begins moving us in the right direction, but, again, it is \$2 trillion short of where the President had been with leaders a week ago, or at least that is our understanding, and I am pretty sure that understanding is correct.

We also know the general mantra adopted by Wall Street and by people who are looking at our country around the world is that we need to do something that is at least a \$4 trillion solution.

I would say to the Senator from California who just spoke, I couldn't agree more. We have not addressed this situation the way we should. I don't think there is anything anybody—well, there may be a few—the vast majority of this body does not want to see our country default on its obligations. I don't know of anybody who wants to do that. I want to see dramatic changes in the character of spending for our country, and many people have sought that. Our work is not yet done.

What I would say is, let's have a short-term extension. There is no question that we do not want the sovereign debt of this country to be downgraded because we default. Nobody wants to see that happen. We are at least finally on the right topic. We are talking about spending reductions. We certainly haven't done the work necessary to achieve the goal we need to achieve in this body. But I couldn't agree more. Let's have a short-term extension. Let's extend it another week or 2 weeks or 3 weeks. A lot of people say, Well, the fact is that will roil the markets. I don't think it will roil the markets. I think they are used to us waiting until an hour before the deadline to work out a solution. I think that has become customary, if you will, in the Senate and in the House of Representatives.

So what I would say is if we don't do the work now—we have a historic opportunity right now. Right now, the whole world, all of our country, all of our citizens are all frustrated. The Members of the House and the Senate are all focused on one thing and that is what kind of a package can we put forth to actually cause our country to be more solvent at this time.

We are finally on the right topic, yet we haven't even, in these aspirational bills that are laid out—we know that with all the actuarial assumptions that exist, with Medicare and Social Security and Medicaid, that if we don't touch trying to make them solvent for the longer haul, we haven't even done our work. The bills before us don't even have as an aspirational goal—for instance, the House bill that is coming over with a select committee that I know Senator REID and Senator MCCONNELL have been involved in—and I thank them for their work—doesn't even lay out that one of the things we are looking at is ensuring Social Security is actuarially sound. The future of these young pages who potentially down the road—not potentially, hopefully—will benefit from Social Security, I think they would like to know that during this historic time we are actually looking at the real issue.

What I am afraid of is we are missing the opportunity for this to be the seminal moment we all thought it was going to be because we don't yet have a product that solves the problem. The product we are looking at in both bodies—and I thank the leaders of both bodies for bringing them forth—does not meet the test. It doesn't dramatically change the character of spending in Washington. It doesn't even stave off a downgrade in U.S. sovereign debt.

We are on the brink of actually doing something great for our country. And because we now have our country's focus and everybody in both bodies is focused on this problem, let's have a short-term extension. I agree. Let's don't default. Let's move back a week or 2 weeks or 3 weeks. But let's don't miss this historic opportunity to do something great for our country, which is exactly what we are doing now.

It is hard for me to believe, seriously, that what we have before us is a \$1 trillion downpayment. It is also hard for me to believe, candidly, that we are going to set up a select committee that is going to report back in 4 or 5 months when all of us know what the issues are. We understand the math. I know we get ridiculed a lot for the way we act in this body, but I think most of us candidly pretty well understand what the solutions are. We all know nobody gets to work on anything around here until there is an imminent deadline. So even with this committee being potentially set up by mutual discussion down the road—I know there are a lot of negotiations—to me they should report back. I agree with the Senator from California. Let's report back at the end of this fiscal year, September

30—there is no reason to wait—and if that type of bill were to pass where we have a two-stage process, let's go ahead and get the work out of the way.

I want to go back to the bigger picture for a moment and I will conclude momentarily. We have an opportunity right now where we have never been focused in the way we are right now—in the 4½ years I have been here—on something as important as this as it relates to us getting our house in order. We have never been this focused. What I am afraid of, in the name of political efficacy—people saying, Hey, look, let's take what we can get and get on out of here so we don't mess up our potential, on both sides of the aisle, for the 2012 elections—take what you have on both sides. Basically, let's think about it. For the other side of the aisle, the way all of the proposals before us are laid out, there is no dealing with trying to make the entitlements sustainable, so they can run in 2012 on the entitlement issue. With all of the proposals laid out right now, we don't deal with spending appropriately, so our country is probably going to have its debt downgraded, so Republicans can run on the fact that we haven't reduced spending enough. So if we look at it, this works well for everybody, except the citizens of our country.

Again, we are finally on the right topic, which is a rarity here. We are finally focused on the problem. We have two bills that don't go far enough. Again, I applaud both the Democratic leader and the Republican leader for putting forth proposals. We all know they don't do what they need to do—either proposal. We know the aspirational goals of each proposal don't take us far enough.

I would say to all: I agree. Let's don't default. Let's don't buck up against August 3. Let's pass a short-term time extension. Let's take us through the end of August or the first 2 weeks in September, or let's take a week, but let's finish our work in this body. Let's don't miss this seminal opportunity where everybody in this country and everybody in this world is looking at how undisciplined we have been and the opportunity we have before us to actually be disciplined and send a signal to the world that our future is not the future that Greece is seeing today; our future is the continuation of American exceptionalism all around this world. We are squandering that opportunity right now in this body at a time when we are finally focused on the right topic.

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. ROCKEFELLER. 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. ROCKEFELLER. I thank the Presiding Officer, as I always do.

#### FAA REAUTHORIZATION

Mr. ROCKEFELLER. Mr. President, Senator TOM HARKIN is on his way from the meeting the Presiding Officer and I were just at because we both want to talk more about this National Mediation Board crisis and also the fact that the FAA is on hold, that we cannot do anything with it. What the House did—you see, one of the revelations of the modern era, which hopefully will last only a couple years, is that the folks in the House are willing to say “no” to the very end. In other words, the question I would raise is that my plan is to raise the stakes on the airlines, doing quite dreadful things to them, in hopes they will engage with the House Members to say we have to have an FAA bill.

As I said yesterday, all I seek is a clean bill of extension. That has been done 20 times on this FAA bill. It has taken us 4 years, and we have not been able to reauthorize it. There are some things to work out, but they can all be worked out.

The House sent over a message saying they did not like what we were doing on the essential air service. Well, the Presiding Officer knows what the essential air service means for rural communities, which is to have it in order that communities have an economic future of any kind at all. But, on the other hand, we have been willing to make reforms. In fact, the reforms we have suggested are more dramatic reforms than the House has suggested: put a cap on the number of airports—some quite dramatic things I actually hate doing in order to try to get agreement on that subject.

But what is more interesting is, that is not what they care about. Mr. MICA, who is my counterpart in the House, has often said he does not have a dog in the essential air service fight. Yesterday I was meeting with him and Secretary LaHood, who is completely with the Senate in our desire to get this done and to break the intransigence of the House, and my counterpart simply said—I said: Why did you send that over when that is not what you care about? He said: Well, sometimes it is a little political thing.

I was not shocked by that because that is why I knew he had done it, but what it says is they are willing to tank the Federal Aviation Administration unless the Senate caves to their position on the National Mediation Board, which would undo 75 years of labor law and which would take an extraordinary situation, which Senator HARKIN, when he gets here, if he gets here, is going to talk more about.

But the principle they want and they like is the fact that if you have an election—it could be a union election, it could be any kind of an election, but let's say for the purposes of this it is a union election—and people do not show

up to vote, as is always the case. Then for those people who did not show up to vote, their vote is automatically characterized as a “no” vote on the idea of certifying to get a union.

This is purely the work of Delta. Most of the legacy airlines are unionized. Delta is not. Delta's CEO makes \$9 million a year, their top management another \$20 million a year. They could practically pay for the whole Essential Air Service Program themselves. But they do not want to fool around with this language to protect their antiworker ambitions.

They have had four union elections in the last several years. They have prevailed. The airline has prevailed in all four of those elections. But they still want this language changed so that if you do not vote, you are put down as a “no” vote; that is, not to be able to organize. That is un-American. It is unprecedented in American history. And it goes against, as I said, 75 years of labor law. That is very dangerous.

What we have to do is to try and make it clear—frankly, the other airlines have been rather tepid in their support of my position. Airlines are a close group and they tend to stay together. They have to stop that. They have to make the House understand that if they persist in this rule, we will have a Federal aviation system that will shut down altogether. I am talking about air traffic controllers. I am talking about the whole deal. It is not a long process. It is a horrible process. It is an antiworker process which they are dumping in our laps. They want to see that happen. They are willing to see that happen. They will not compromise on the National Mediation Board. They will not compromise. They have said that. I have often talked with my counterpart over there, and he says: Well, I do not make those decisions. Those are made at a higher pay grade. He uses that word. Why does somebody run for public office if they simply take orders from other people? Well, that is sort of the way they do things over there in the House, but it is extremely dangerous.

The truth lies in the fact that the House provision that cuts the Essential Air Service Program by \$16 million—that is what it does. At the same time, the House has been willing to let \$150 million drain from the airport trust fund in less than a week. Every day we do not get this bill resolved, \$25 million drops out of the airport trust fund, which is flush for now but is becoming very unflush very quickly.

The FAA extensions are very necessary. They are not something which people walk around here talking about all the time, but if they find they do not have flights to get to their homes on the west coast or in the South or anywhere else, they will be very angry. People will be very angry. I do not know of any alternative but to ratchet up the pressure, to make those who are blocking this understand they are