Democrats to reach across the aisle on bipartisan legislation that can actually pass.

Mr. President, I yield the floor.

RESERVATION OF LEADER TIME

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

CURRENCY EXCHANGE RATE OVERSIGHT REFORM ACT OF 2011

The ACTING PRESIDENT pro tempore. Under the previous order, the Senate will resume consideration of S. 1619, which the clerk will report.

The assistant legislative clerk read as follows:

A bill (S. 1619) to provide for identification of misaligned currency, require action to correct the misalignment, and for other purposes.

Pending:

Reid amendment No. 694, to change the enactment date.

Reid amendment No. 695 (to amendment No. 694), of a perfecting nature.

Reid motion to commit the bill to the Committee on Finance with instructions, Reid amendment No. 696, to change the enactment date.

Reid amendment No. 697 (to (the instructions) amendment No. 696) of the motion to commit), of a perfecting nature.

Reid amendment No. 698 (to amendment No. 697), of a perfecting nature.

The ACTING PRESIDENT pro tempore. Under the previous order, the time until 10:30 a.m. will be equally divided and controlled between the two leaders or their designees.

The Senator from New York.

Mr. SCHUMER. Just for a clarification, Mr. President, are we in morning business or are we on the bill?

The ACTING PRESIDENT pro tempore. We are on the bill.

Mr. SCHUMER. Is 1 hour of time equally divided?

The ACTING PRESIDENT pro tempore. Until 10:30.

Mr. SCHUMER. So time is equally divided up to that point?

The ACTING PRESIDENT pro tempore. Correct.

Mr. SCHUMER. Thank you, Mr. President.

First, I would like to make a comment on the Republican leader's comments on the tax bill. Just make note, American people, the leader says: Do not raise taxes. But he does not mention what our proposal actually does. It imposes a 5.6-percent surcharge only on those whose incomes are above $1 million. In other words, 99 percent-plus of the American people will not have their taxes raised, nor should they.

Average middle-class people are struggling. Their incomes are declining. We should not be doing that. But for those who are the very wealthiest—and this is no aspersion to them. I think most of us on both sides of the aisle admire people who have made a lot of money. Most Americans would like to be in their shoes, and most of them have done it the hard way: by coming up with a good idea, struggling and working a business. That is great. But they are the one segment in society whose income has actually increased significantly over the last decade.

The one consensus we have in this place is that we have to reduce the deficit and reduce the budget. The one consensus we have is that we have to do that. Well, you are asking middle-class people to chip in by making it harder to pay for college because student loans are not as good or cutting back on somebody who has been unemployed. They worked their whole life, lost their job, and now are unemployed.

So how do we have the top 1 percent—the one part of society doing the best—chip in? Well, the only way is through the Tax Code because they do not need help getting their kids to college. They do not need health care help. God bless them. They have enough money to do that on their own. So this is the only way to do it. If you say no taxes on anybody, even the millionaires—which is what, I assume, the Republican leader is saying—you are saying the best off in society, who have done the best in the last decade, should not contribute to this deficit reduction we have to do.

I believe—and I will say this again and again—the only way we are going to get real deficit reduction is by raising revenues as well as cutting spending. The only real way we are going to break through on raising revenues is making sure those at the highest income contribute and contribute more than others when it comes to the tax system.

I would like to go to the bill at hand, which is S. 1619, the currency act. I know my colleagues have heard me on this all week. It is passionate for me. It is passionate not as a Democrat or not against Republicans. In fact, we have religiously tried throughout—Senator LINDSEY GRAHAM and I, throughout the history of this bill, which is a long one, and the bills before it, their predecessors—we have tried to keep this religiously bipartisan.

In fact, we have five lead Democratic sponsors and five lead Republican sponsors. LINDSEY and I have opposed Presidents on this issue—whether it was the Republican President Bush or the Democrat President Obama—with equal vigor because we think administrations get too caught up in that highfalutin diplomatic world to understand what American companies, particularly middle-sized companies, go through when China does not play fair.

I am on the Senate floor on this bill many times, more often than I usually speak, because I believe passionately this is about the future of America. If we continue to lose wealth and jobs to China because they manipulate trade laws and intellectual property laws and all kinds of other economic laws for their own advantage, unfairly—against the WTO rules, against the rules of free trade—we may never recover as a country.

This is serious. This is not to gain political advantage, although most Americans agree with it, of course. But I would do this if most Americans did not, and if editorialists did not, business leaders of multinational corporations did not. I do this because when we have small companies that are growing that have great products, and China unfairly competes with them—not because China's products are better but because China's trade allows it to undercut them in our market and in the Chinese market—we are giving away our seed corn.

Take solar cells. China usually uses a one-two punch to hurt us unfairly. First, they will use some trade law to get that business in their country, whether it is rare earths, and they will say: You want these rare earths? You have to manufacture in China. Whether it is intellectual property, they just take it regardless of patent laws and other laws. Or in the case of solar cells, whether it is unfair direct subsidies to companies, they say: You make the solar cells here—the Chinese companies—you will get deep subsidies.

But that alone would not be enough to put our American companies on their butts. What happens is, after they unfairly take the business and move them there, they send them here at a 30-percent discount using currency manipulation. Our American companies—and I have spoken to company after company in manufacturing businesses, in service businesses, and things in between—say: I can't compete. My product is usually better, but not against a 30-percent currency disadvantage. So the price of the Chinese good is 30 percent cheaper.

There is a window manufacturer I just visited, I think it was last Friday. He makes high-end windows for these buildings in New York and elsewhere. The window he makes is better than the Chinese window. This was not a theft of intellectual property. He would not use the Chinese windows because he is a contractor as well. He makes the windows, and then he installs them.

He said: I wouldn't use the Chinese product, but because it has a 30-percent advantage in currency, it undercuts me in price and lots of other people use it.

Now, who would have thought that we are talking about windows? The Chinese are competing against us everywhere. High end, middle end, and low end. On the low end, frankly, we will never get the businesses back. Toys or clothing or shoes, maybe even furniture—except high-end furniture—is not coming back.

The argument that some of these editorialists use, well, they are going to go to Bangladesh or somewhere else if China has to raise its currency is true, but that is not what we are fighting for