

as the Great and Powerful Oz proclaims that every government program can be funded and every budget balanced simply by eliminating the so-called tax cuts for the rich.

But the American people are not so easily duped. And they are showing up at Emerald City looking for real leadership and real answers, not just talking points.

That is the real choice facing the American people today. They can choose the fiscal leadership of those such as Chairman RYAN who have put forth actual, real-world proposals to bring about reasonable restraints on entitlement spending and maintain taxation at its historic levels, or they can choose the President's impersonation of fiscal leadership, which is built on a phantom budget and large-scale attacks on anyone, such as Chairman RYAN, who offers a real, verifiable alternative.

But let's be clear. The phantom budget simply cannot translate into reality without collecting taxes that go far beyond those the President and congressional Democrats publicly support. Given the limitations on existing revenue streams, a value-added tax, even with all of its many drawbacks, is one of very few logical alternatives left to the other side. If they do not plan on instituting a VAT, they need to come clean with the American people and let everyone know how they plan to pay for their outsized spending.

Regardless of who wins this election, Congress will have to do more than just click its heels and wish for enough money to pay all our bills. Therefore, I think it is fair to assume that, in lieu of a line item for ruby slippers, the Democrats' phantom budget includes levels and forms of taxation heretofore unseen in the United States. You can be sure that if it is not a VAT, it will be something equally damaging to our economy.

Let me end with one other thought; that is, that we all know, according to the Joint Committee on Taxation, of which I am a member—but it is a non-partisan committee run by very good economists—the bottom 51 percent of all households—not just people; all households—do not pay a dime of income tax.

We have brought that about out of compassion for them, I have to say, but it means the upper 49 percent are paying for just about everything. Well, my friend Treasury Secretary Geithner pointed out: But, yes, they pay payroll taxes. Well, we all do. That is Social Security. They do not pay a dime of income taxes. I was quick to point out to Mr. Geithner that 23 million of them, approximately, get refundable tax credits from the government that are more than they pay in payroll taxes, so they are really not paying payroll taxes. Almost 16 million of them get refundable tax credits from all of us others out there, from the government itself, which is more than they and their employers pay in payroll taxes.

The fact is, I fail to understand why my friends on the other side are looking for ways to spread the base to an unsuspecting 51 percent who currently do not pay any real income taxes. I think there has to be a better way of spreading the base than doing it through a VAT, which in Europe has proven to be a ready way for politicians to increase spending over and over without really any inhibition or any real inhibition.

So if what I am talking about today is prophetic, it means without question that our friends on the other side want to keep spending. They want the Federal Government to keep growing, all at a cost to individuals, and they want to do it because that is what has kept them in power all of these years, taking all of your money out there and claiming that they are compassionate with your money when they are unwilling to be compassionate enough to keep living within our means.

I yield the floor.

The PRESIDING OFFICER. The Senator from Maryland.

PROVIDING FOR A CONDITIONAL ADJOURNMENT OR RECESS OF THE SENATE AND AN ADJOURNMENT OF THE HOUSE OF REPRESENTATIVES

Mr. CARDIN. Mr. President, I ask unanimous consent that the Senate proceed to the immediate consideration of S. Con. Res. 56, submitted earlier today.

The PRESIDING OFFICER. The clerk will report the concurrent resolution by title.

The assistant legislative clerk read as follows:

A concurrent resolution (S. Con. Res. 56) providing for a conditional adjournment or recess of the Senate and an adjournment of the House of Representatives.

There being no objection, the Senate proceeded to consider the concurrent resolution.

Mr. CARDIN. Mr. President, I ask unanimous consent that the concurrent resolution be agreed to, the motion to reconsider be laid upon the table, with no intervening action or debate, and that any statements related to the matter be printed in the RECORD as if read.

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

The concurrent resolution (S. Con. Res. 56) was agreed to, as follows:

S. CON. RES. 56

(Providing for a conditional adjournment or recess of the Senate and an adjournment of the House of Representatives)

Resolved by the Senate (the House of Representatives concurring), That when the Senate recesses or adjourns on any day from Thursday, August 2, 2012, through Monday, August 6, 2012, on a motion offered pursuant to this concurrent resolution by its Majority Leader or his designee, it stand recessed or adjourned until 12:00 noon on Monday, September 10, 2012, or such other time on that day as may be specified by its Majority Leader or his designee in the motion to re-

cess or adjourn, or until the time of any reassembly pursuant to section 2 of this concurrent resolution, whichever occurs first; and that when the House adjourns on any legislative day from Thursday, August 2, 2012, through Monday, August 6, 2012, on a motion offered pursuant to this concurrent resolution by its Majority Leader or his designee, it stand adjourned until 2:00 p.m. on Monday, September 10, 2012, or until the time of any reassembly pursuant to section 2 of this concurrent resolution, whichever occurs first.

SEC. 2. The Majority Leader of the Senate and the Speaker of the House, or their respective designees, acting jointly after consultation with the Minority Leader of the Senate and the Minority Leader of the House, shall notify the Members of the Senate and House, respectively, to reassemble at such place and time as they may designate if, in their opinion, the public interest shall warrant it.

STOCK ACT AMENDMENTS

Mr. CARDIN. Mr. President, I ask unanimous consent that the Senate proceed to the immediate consideration of S. 3510, introduced earlier today

The PRESIDING OFFICER. The clerk will report the bill by title.

The legislative clerk read as follows:

A bill (S. 3510) to prevent harm to the national security or endangering the military officers and civilian employees to whom internet publication of certain information applies, and for other purposes.

There being no objection, the Senate proceeded to consider the bill.

Mr. CARDIN. Mr. President, I ask unanimous consent that the bill be read a third time and passed, the motion to reconsider be laid upon the table, and that any statements relating to the bill be printed in the RECORD.

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

The bill (S. 3510) was ordered to a third reading, read the third time, and passed, as follows:

S. 3510

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. EFFECTIVE DATE DELAY.

The STOCK Act (Public Law 112-105) is amended—

(1) in section 8(a)(1), by striking “August 31, 2012” and inserting “September 30, 2012”; and

(2) in section 11(a)(1), by striking “August 31, 2012” and inserting “September 30, 2012”.

SEC. 2. IMPLEMENTATION OF PTR REQUIREMENTS UNDER STOCK ACT.

Effective September 30, 2012, for purposes of implementing subsection (1) of section 103 of the Ethics in Government Act of 1978 (as added by section 6 of the STOCK Act, Public Law 112-105) for reporting individuals whose reports under section 101 of such Act (5 U.S.C. App. 101) are required to be filed with the Clerk of the House of Representatives, section 102(e) of such Act (5 U.S.C. App. 102(e)) shall apply as if the report under such subsection (1) were a report under such section 101 but only with respect to the transaction information required under such subsection (1).

Mr. CARDIN. Mr. President, I ask unanimous consent to speak for up to 10 minutes as in morning business.

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

VETERANS JOBS CORPS ACT OF 2012 MOTION TO PROCEED—continued

MINERAL INDUSTRY TRANSPARENCY

Mr. CARDIN. Mr. President, it has been 2 years since Congress passed legislation that provided for transparency in the mineral industry. It was a provision that was included in the Dodd-Frank bill. It was included as an amendment on which Senator LUGAR and I worked. I wish to thank Senator LUGAR for his incredible leadership on this issue—transparency—as well as so many other issues that affect the security of not only America but global security.

The provision is something we worked on to provide transparency in developing countries. It provided a visible sign of U.S. leadership, that we are going to do everything we can to promote good governance around the world; to demonstrate that we understand that for the stability of America, we need countries that have good governance.

The United States spends more money than any other country in the world on our national security budget. In fact, we spend more than most of the other countries combined spend on national defense. We have the ability to use our military for our national defense, but it is much better if we can develop stable countries around the world. The way to develop stable countries is to help them build a stable economy, to help them build wealth, and to help them have good governance.

It is impossible to see the type of progress we want in the developing countries unless they have good governance. I might say that the more we can help in this regard, the more we promote good governance and economic growth, the better off we will be. Our direct security burdens will be reduced, and we will have new markets, which will create economic opportunities for America.

As the Presiding Officer knows, this is the guiding principle of the Organization for Security and Cooperation in Europe. We used the Helsinki Commission as our implementing arm. The Helsinki Accords that were signed in 1975 between Europe—all of the countries of Europe—the United States, and Canada recognized that it was in our national security interests to support stable countries that respect human rights and have good governance.

This is the reason the Cardin-Lugar amendment was so important in the Dodd-Frank Wall Street reform legislation. Let me explain what it does. It requires mineral companies to list the payments they make to extract the minerals they take out of a country. Whether we are talking about gas or oil, whether it is diamonds or copper—the companies need to divulge their in-

dividual payments to foreign countries in their reports to the Securities and Exchange Commission, SEC.

We did that for many reasons.

One reason, quite frankly, is that although many countries in the world have vast sums of mineral wealth, these are some of the poorest countries in the world. We call it the “resource curse” because the natural resource wealth of the country isn’t just being denied to the people for their economic growth, it is being used to fuel corruption within their own country. So one of the reasons for the provision we incorporated in the Dodd-Frank bill was to provide transparency so that the people of the country, along with the international community, will know exactly where payments are being made for the extraction of mineral wealth in a country.

Senator LUGAR and I also thought that such information would be important for U.S. investors, too. If someone is going to invest in a mineral company, he or she has a right to know where that company is signing contracts and paying money for access to the natural resource(s).

It is also important for U.S. interests. We need stable mineral reserves. As the Presiding Officer knows, we have gone to war over the need for oil. We need stable markets so that we do not jeopardize our own economic progress.

So the Cardin-Lugar provision gives us a chance to follow the money, as the saying goes, in a particular country.

For all of these reasons, Mr. President, we passed a provision as part of the Dodd-Frank legislation that requires every company that is involved in extracting minerals to list those payments specifically by project in their SEC filings.

It was pretty clear as to what needed to be done. We gave the authority to the SEC to issue the necessary regulations. Well, we have been waiting 2 years for these regulations—2 years. We are now well beyond the time limit that was spelled out in the legislation for the SEC to issue its regulations. Yet the SEC still hasn’t issued final regulations.

I have read the statute over and over again. I helped write the statute. Senator LUGAR has read the statute. We do not understand the difficulty. It was not a complicated provision. It said exactly what the companies have to do. So we are somewhat puzzled why it has taken this length of time for the SEC to issue its final regulations. In the meantime, we are being denied the benefit of this law. We are being denied the opportunity to protect our investors. We are being denied the opportunity to follow the money, to help promote good governance abroad. All that has been delayed as a result of the SEC’s failure to issue regulations.

I must say that it also jeopardizes U.S. leadership. Yes, there are other countries interested in following what the United States is doing. We have

heard from Europe, and we have heard from Asia. They want to adopt similar laws. They do not know what to pass because they are still waiting for the SEC to act. So the failure to act isn’t just affecting our ability; it is also affecting other countries. Collectively, between Asia, Europe, and the United States, we can pretty much cover all of the international extractive companies and therefore have a real, major impact on transparency on this issue.

I might say that one of the criticisms I have heard is about why we have a separate bill. We already have what is known as the Extractive Industries Transparency Initiative, or EITI. There is an international organization that is voluntary. Countries can join. The United States has participated in the EITI. EITI participants help countries with best practices for developing the governance to deal with how they handle their mineral wealth. EITI is an important program. It is a voluntary program. It works well.

The Cardin-Lugar provision in the Dodd-Frank legislation complement the EITI. The two work together. Between the two, the EITI and our legislation, there’s a way that we can really require companies to make the information available in an open way. The EITI gives developing countries the technical assistance they need to manage their mineral wealth in the most effective way for the benefit of their own people, to elevate their wealth and to have a more sustainable economy.

This delay has caused a great deal of concern to many of us. Quite frankly, Oxfam, for example, has filed suit against the SEC for its failure to issue regulations, and I am very sympathetic to that lawsuit.

I wish to inform Senators that we have now been told the SEC will finally issue its regulations on August 22, in just a few weeks. SEC officials have formally responded to the Oxfam lawsuit, saying the agency will issue regulations on August 22. I have received a letter from the SEC indicating the same thing. It is long overdue.

I am looking forward to seeing the regulations from the SEC. I hope the SEC follows the letter and spirit of the legislation. It is up to Congress to pass the laws. SEC needs to implement the laws under direction and guidance from Congress. We have made it clear that we want openness and transparency. I know some oil companies may not like that, but they do not write the laws, we do. It is up to the SEC now to promulgate the regulations that carry out the intent of our law and help us move forward so that the resource wealth of countries in the developing world become a real asset, a real benefit, as they develop sustainable economies and good governance, which helps global stability and helps the global economy.

We will be watching the SEC. I know we will be in recess on the 22nd, but we will be watching the SEC. I hope that Congress and the SEC will be working