

the sky is blue—“unfair” and “bizarro.” Those are quotes from JOHN MCCAIN. He further said:

It's time we listened to the markets. It's time we listened to the American people and sit down and seriously negotiate.

He was talking to his fellow Republicans and, in particular, to a tea party that does not seem to realize Republicans control only one-half of one branch of government. That faction of the Republican Party is holding our economy hostage. That is an understatement.

My counterpart, Senator MCCONNELL, also urged a return to reason.

We cannot get a perfect solution, from my point of view, controlling only the House of Representatives. So I'm prepared to accept something less than perfect because perfect is not achievable.

That is from Senator MITCH MCCONNELL. Both sides know neither side will get everything it wants. That does not mean we should not come together to find a compromise that gives each side something it needs. Republicans have drawn the line at ending wasteful tax breaks for corporate jet owners and oil companies making record profits. They have vowed to protect corporate welfare at taxpayer expense. Democrats have vowed to protect senior citizens who rely on Social Security and Medicare benefits. We will not allow them to suffer while Republicans protect tax breaks for billionaires.

The compromise plan we are considering in the Senate protects both of these priorities—both parties' priorities. Whether one agrees with the priorities, the legislation I have on the floor in the form of an amendment protects those priorities—Democratic priorities and Republican priorities.

Unfortunately, in a concession to Republicans, we did not ask millionaires and billionaires to contribute their fair share. We would have loved to have done it. But the line has been drawn by the Republicans and we followed that. But it does protect seniors who Republicans insist should feel the pain.

It would also avert a default crisis while cutting \$2.5 trillion from the deficit. That is twice as much as the Boehner plan. Yet House Republicans refuse to support the Senate compromise. I am happy to talk to any of my Republican colleagues—I have talked to several of them, I am happy to continue that—to listen to reasonable suggestions to make the Senate compromise legislation even better. That would require tea party Republicans to admit “compromise” is not a bad word.

Legislation is the art of compromise, and they need to learn that. A significant number of House Republicans said their party would rather see this Nation default on its financial obligations than cooperate with Democrats. That says it all. It is hard to comprehend that, but there has been a spate of these Members of the House of Representatives who have said they would rather see the Nation default on its financial obligations than cooperate.

This kind of thinking has been roundly rejected by the American people. Nearly three-quarters of Americans want Congress to compromise, even if neither side gets everything it wants. The American people know we cannot get everything we want.

This thinking has also been rejected by reasonable Republicans. I had the good fortune of serving with the very famous American, Fred Thompson from Tennessee. He was famous before he got here. He is a movie actor. He served in the Senate admirably and went back to do his acting. Former Senator Fred Thompson—by the way, he is a Republican—urged members of his own party in an open letter to the House GOP to recognize a good deal when they see it. That is what he said. “I respectfully suggest that you rake in your chips, stuff them in your pockets, and go home.”

The proposal on the table would cut the deficit by \$2.5 trillion. If their goal is to rein in spending, they already won. That is what Fred Thompson said: “If their goal is to rein in spending, they've already won.” Declare victory and leave. Republicans should know—this is Fred Thompson—“when to take their chips and walk away.”

American writer Elbert Hubbard said, “It is easy to get everything you want, provided you first learn to do without the things you cannot get.” That is what this is all about. “It is easy to get everything you want, provided you first learn to do without the things you cannot get.”

There are things that either side cannot get. Accept that and move on. Republicans cannot get the short-term Band-Aid they will vote on in the House today. It will not get one Democratic vote in the Senate. All 53 members of the Senate Democratic caucus wrote to the Speaker last night—the letter was hand-delivered to him—to tell him why we will not vote for it.

The economy needs more certainty than the Speaker's proposal would provide. We must not be back in 6 weeks doing the same thing I have been involved in for 7 or 8 months. We do not need to do that. Washington has been locked down with this debt crisis debate. The White House is not doing all they need to do. We are not doing the things we need to do. We cannot come back to this in just a few short weeks. That is what would happen.

We must not be back here in 6 weeks or 6 months debating whether to allow our Nation to default on its financial obligations for the Republican right-wing that seems to be controlling so much of what they are doing in the House.

It would be easy for Republicans to get nearly everything they want if only they embraced the Senate's true compromise plan and stop, as Senator MCCAIN put it, deceiving the American people—his words not mine.

The question remains, will my Republican colleagues be wise enough to end this stalemate?

SMALL BUSINESS PROGRAM EXTENSION AND REFORM ACT OF 2011

Mr. REID. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of H.R. 2608.

The ACTING PRESIDENT pro tempore. The clerk will report the bill by title.

The legislative clerk read as follows:

A bill (H.R. 2608) to provide for an additional temporary extension of programs under the Small Business Act and the Small Business Investment Act of 1958, and for other purposes.

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

Mr. REID. Mr. President, I ask unanimous consent that a Landrieu substitute amendment which is at the desk be agreed to, the bill, as amended, be read a third time and passed, and the motion to reconsider be laid upon the table, with no intervening action or debate, and any statements be printed in the RECORD.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

The amendment (No. 588) was agreed to, as follows:

(Purpose: In the nature of a substitute)

Strike all after the enacting clause and insert the following:

SECTION 1. SHORT TITLE.

This Act may be cited as the “Small Business Program Extension and Reform Act of 2011”.

SEC. 2. ADDITIONAL TEMPORARY EXTENSION OF AUTHORIZATION OF PROGRAMS UNDER THE SMALL BUSINESS ACT AND THE SMALL BUSINESS INVESTMENT ACT OF 1958.

(a) IN GENERAL.—Section 1 of the Act entitled “An Act to extend temporarily certain authorities of the Small Business Administration”, approved October 10, 2006 (Public Law 109-316; 120 Stat. 1742), as most recently amended by section 2 of the Small Business Additional Temporary Extension Act of 2011 (Public Law 112-17; 125 Stat. 221), is amended by striking “July 31, 2011” each place it appears and inserting “July 31, 2012”.

(b) EFFECTIVE DATE.—The amendments made by subsection (a) shall take effect on July 30, 2011.

SEC. 3. REPEALS AND OTHER TERMINATIONS.

(a) GENERAL PROVISIONS.—

(1) EFFECTIVE DATE.—A repeal or other termination of a provision of law made by this section shall take effect on October 1, 2011.

(2) RULE.—Nothing in this section shall affect any grant or assistance provided, contract or cooperative agreement entered into, or loan made or guaranteed before October 1, 2011 under a provision of law repealed or otherwise terminated by this section and any such grant, assistance, contract, cooperative agreement, or loan shall be subject to the applicable repealed or otherwise terminated provision, as in effect on September 30, 2011.

(3) APPLICABILITY OF TEMPORARY EXTENSIONS.—A repeal or other termination of a provision of law made by this section shall have effect notwithstanding any temporary extension of programs, authority, or provisions under the Act entitled “An Act to extend temporarily certain authorities of the Small Business Administration”, approved October 10, 2006 (Public Law 109-316; 120 Stat. 1742).

(4) DEFICIT REDUCTION.—Any savings resulting from this Act and the amendments

made by this Act shall be returned to the Treasury for deficit reduction.

(b) POLLUTION CONTROL LOANS.—Paragraph (12) of section 7(a) of the Small Business Act (15 U.S.C. 636(a)) is amended—

(1) by striking “(A) The Administration” and inserting “The Administration”; and

(2) by striking “research and development” and all that follows and inserting “research and development.”.

(c) SMALL BUSINESS INSTITUTE.—Subparagraph (E) of section 8(b)(1) of the Small Business Act (15 U.S.C. 637(b)(1)) is repealed.

(d) DRUG-FREE WORKPLACE GRANTS.—Paragraph (3) of section 21(c) of the Small Business Act (15 U.S.C. 648(c)) is amended—

(1) in subparagraph (R) by adding “and” at the end;

(2) in subparagraph (S) by striking “; and” and inserting a period; and

(3) by striking subparagraph (T).

(e) CENTRAL EUROPEAN SMALL BUSINESS ENTERPRISE DEVELOPMENT COMMISSION.—Section 25 of the Small Business Act (15 U.S.C. 652) is repealed.

(f) PAUL D. COVERDELL DRUG-FREE WORKPLACE PROGRAM.—Section 27 of the Small Business Act (15 U.S.C. 654) is repealed.

(g) PILOT TECHNOLOGY ACCESS PROGRAM.—Section 28 of the Small Business Act (15 U.S.C. 655) is repealed.

(h) NATIONAL VETERANS BUSINESS DEVELOPMENT CORPORATION.—

(1) IN GENERAL.—Section 33 of the Small Business Act (15 U.S.C. 657c) is repealed.

(2) CORPORATION.—Beginning on the date of enactment of this Act, the National Veterans Business Development Corporation and any successor thereto may not represent that the corporation is federally chartered or in any other manner authorized by the Federal Government.

(i) LEASE GUARANTEES AND POLLUTION CONTROL.—Part A of title IV of the Small Business Investment Act of 1958 (15 U.S.C. 692 et seq.) is repealed.

(j) ALTERNATIVE LOSS RESERVE.—Paragraph (7) of section 508(c) of the Small Business Investment Act of 1958 (15 U.S.C. 697e(c)) is repealed.

(k) SMALL BUSINESS TELECOMMUTING PILOT PROGRAM.—Subsection (d) of section 1203 of the Energy Independence and Security Act of 2007 (15 U.S.C. 657h) is repealed.

(l) TECHNICAL AND CONFORMING AMENDMENTS.—

(1) SMALL BUSINESS INVESTMENT ACT OF 1958.—Section 411(i) of the Small Business Investment Act of 1958 (15 U.S.C. 694b(i)) is amended to read as follows:

“(i) Without limiting the authority conferred upon the Administrator and the Administration by section 201 of this Act, the Administrator and the Administration shall have, in the performance of and with respect to the functions, powers, and duties conferred by this part, all the authority and be subject to the same conditions prescribed in section 5(b) of the Small Business Act with respect to loans, including the authority to execute subleases, assignments of lease and new leases with any person, firm, organization, or other entity, in order to aid in the liquidation of obligations of the Administration hereunder.”.

(2) TITLE 10.—Section 1142(b)(13) of title 10, United States Code, is amended by striking “and the National Veterans Business Development Corporation”.

(3) TITLE 38.—Subsection (h) of section 3452 of title 38, United States Code, is amended by striking “any of the” and all that follows and inserting “any small business development center described in section 21 of the Small Business Act (15 U.S.C. 648), insofar as such center offers, sponsors, or cosponsors an entrepreneurship course, as that term is defined in section 3675(c)(2).”.

(4) VETERANS ENTREPRENEURSHIP AND SMALL BUSINESS DEVELOPMENT ACT OF 1999.—Section 203(c)(5) of the Veterans Entrepreneurship and Small Business Development Act of 1999 (15 U.S.C. 657b note) is amended by striking “In cooperation with the National Veterans Business Development Corporation, develop” and inserting “Develop”.

SEC. 4. TERMINATION OF EMERGING LEADERS PROGRAM.

Notwithstanding any other provision of law, effective October 1, 2011, the Administrator of the Small Business Administration may not carry out or otherwise support the program referred to as “Emerging Leaders” in the document of the Small Business Administration titled “FY 2012 Congressional Budget Justification and FY 2010 Annual Performance Report” (or any predecessor or successor document).

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill (H.R. 2608), as amended, was read the third time and passed.

ORDER OF PROCEDURE

Mr. REID. Mr. President, I ask unanimous consent that the period of morning business be extended until 5 p.m., with Senators permitted to speak for up to 10 minutes each; further, that at 5 p.m. I be recognized.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

RECOGNITION OF THE MINORITY LEADER

The ACTING PRESIDENT pro tempore. The Republican leader is recognized.

DEBT CEILING

Mr. MCCONNELL. Mr. President, the clock is ticking. In just a few days, the U.S. Government will no longer have the ability to borrow money to pay its bills—a situation the President and his advisers said would trigger an economic Armageddon.

I was shocked last night when 53 Senate Democrats issued a letter saying they intend to vote against the only piece of legislation that has any chance of preventing all this from happening. Even more shocking is the fact that Democratic leaders and the President himself have endorsed every feature of this legislation except one, and that is the fact that it doesn't allow the President to avoid another national debate about spending and debt until after the next Presidential election. Every other feature of the House bill was essentially agreed to earlier except for one—the President wants to avoid having another discussion about deficit and debt before the election. This assurance is the only thing the President and Senate Democrats are holding out for right now.

The Democrats can try to justify their opposition to the House bill any way they want. They can claim they are worried about a stalemate 6

months from now. They can ignore the fact that of the 31 times Congress and the President have raised the debt limit over the past 25 years, 22 of those debt limit increases lasted less than a year. President Reagan, in 1984, signed three bills in the course of his election year that raised the debt ceiling. It was not unusual. In fact, what is unusual is to ask for \$2.7 trillion in debt limit increase. That is unusual. That is unprecedented.

So what is worse, a default now or a potential default 6 months down the road? Because if those 53 Senate Democrats follow through on their threat to filibuster the House bill, that is what they will be doing—ensuring default now rather than working with us to prevent it later. Why would you want to do that? The answer is, to make the President's reelection campaign a little bit easier.

It is inconceivable to me that the President would actually follow through on this threat. After all, the President's first responsibility is to do what is best for the country, not his reelection campaign. The same goes for our friends on the other side of the aisle. It is inconceivable to me that they would actually block the only bill that would get through the House of Representatives and prevent a default right now. Inconceivable. It is inconceivable to me that they would do this for no other reason than to help the President avoid having another debate before the election about the need for Washington to get its fiscal house in order. But that is precisely what we may be headed for this weekend—guaranteed default or a bill that takes the specter of a default off the table, while giving us another opportunity to address the very deficits and debts that caused this crisis in the first place.

Senate Democrats are playing with fire, and it is hard to conclude they are doing it for any other reason than politics. So I urge our friends on the other side of the aisle this morning to rethink their position and join Republicans in preventing default.

RESERVATION OF LEADER TIME

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

MORNING BUSINESS

The ACTING PRESIDENT pro tempore. Under the previous order, the Senate will be in a period of morning business for 1 hour, with Senators permitted to speak therein for up to 10 minutes each, with the time equally divided and controlled between the two leaders or their designees, with the majority controlling the first half and the Republicans controlling the final half.

Mr. MCCONNELL. Mr. President, 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.