Meaning the ObamaCare language

—to mean that the taxpayer-funded federal health insurance subsidies dispensed to those on Congress's payroll—which now range from $5,000 to $11,000 a year—would have to end.

A little later in the same opinion piece they wrote:

Under behind-the-scenes pressure from members of Congress in both parties, President Obama used the quiet of the August recess to personally order the Office of Personnel Management, which supervisors Federal employment issues, to interpret the law so as to retain the generous Congressional benefits.

The Wall Street Journal has also weighed in. I think they are right.

The issue is the White House's recent ObamaCare bailout for members of Congress and their staffs. If Republicans want to show that they stand for something, this is it. If they really are willing to do whatever it takes to oppose this law, there would be no more meaningful way to prove it.

As I said, the author of this original provision of ObamaCare made it perfectly clear where he was coming from. That is our distinguished colleague CHUCK GRASSLEY. ''The more that Congress experiences the laws it passes, the better.'' The distinguished lawyer regarding this area of law, David Ermer, also said, it is clear: ''I do not think members of Congress and their staff can get funds for coverage in the exchanges under existing law.''

That is why we have to act and have to vote before October 1.

Finally, in closing, let me say, I want to be very direct and ask Members and the public to beware of another approach to defeating this ''no Washington exemption'' language. That approach is pretty clever and it is pretty cynical. That approach is to say: Oh, this is a great idea, but we actually need to expand this to all Federal employees.

There are Members promoting this approach, particularly on the Republican side. That will have one effect and one effect only: It will help ensure absolutely, no ifs, ands, or buts, that my language does not pass or that language does not pass. In fact, one of the main Republican proponents of that language said in a meeting which I attended: This will be perfect because under that scenario, under that language, all Republicans can vote yes, all Democrats can vote no, and it will be killed and we will keep the subsidy.

That is the game. That is the point. That is what is going on. We need a straight up-or-down vote on this ''no Washington exemption'' language which is filed as an amendment to this bill on the floor, which is filed as a separate bill. I very much look forward to that before October 1.

I yield the floor.

The PRESIDING OFFICER. The Senator from Utah.

(The remarks of Mr. HATCH pertaining to the introduction of S. 1518 are located in today's RECORD under ''Statements on Introduced Bills and Joint Resolutions.'')

Mr. HATCH. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

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

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

Mr. CARDIN. I wish to commend Senator SHAHEEN and Senator PORTMAN for their hard work in bringing a bipartisan bill to the floor that will boost energy efficiency in government, in industry, and in commercial and residential buildings. This bill will help increase our economic competitiveness, enhance our national security, and combat global climate change.

Energy efficiency improvements are a smart, cost-effective way to reduce pollution, increase the competitiveness of our manufacturers, and put people back to work in the building trades.

We don't have an energy problem in this country; we have a waste problem. Last October the Department of Energy and Lawrence Livermore National Labs calculated that we waste 57 percent of all energy produced—57 percent. We are becoming more energy efficient, but we have a long way to go, which is why the Shaheen-Portman bill is so important.

I wish to speak about two changes I would like to see in the Tax Code that would help us achieve our goals of energy efficiency. I have worked on two bills in this regard and I will be speaking about them as we go through this session of Congress. I have noted amendments, but as I think the Presiding Officer is well aware, to try to put a tax provision on a bill that originates in the Senate causes what is known as the blue slip when the bill is taken to the House, since all tax bills must originate in the House of Representatives. Therefore, I will be looking for opportunities to advance these two energy-related bills but will not have the opportunity on the legislation that is before us.

Energy efficiency is as important as renewables, nuclear, and fossil fuels in an ''all of the above'' strategy to meet the Nation's energy demands. In fact, the cheapest, cleanest ''energy'' we have is the energy we don't need because of energy efficiency improvements.

Our Tax Code in turn can be an effective tool in promoting energy efficiency. Consider that buildings account for more than 40 percent of our energy consumption in the United States. So by encouraging businesses to make energy-efficient upgrades in their buildings, we can reach substantial energy savings. A recent study by McKinsey & Company backs me up. The study concluded that maximizing energy efficiency for homes and commercial buildings could help our country reduce energy consumption by 23 percent by 2020 and cut greenhouse gas emissions by 1.1 gigatons annually. This is the equivalent of taking all passenger cars and light trucks off the road for a year.

Making buildings more efficient is more cost-effective than developing new energy sources. Current building codes are already making new construction significantly more efficient, but a boost is needed for older structures.

Up to 80 percent of the buildings standing today will still be here in 2050, so encouraging the retrofitting of existing buildings needs to be a priority. Even buildings that are fairly new can benefit from retrofitting. For example, Bush Stadium, home of the St. Louis Cardinals, was built in 2006, but energy improvements in 2011 reduced energy consumption by 23 percent.

We could see more successful projects such as this proliferate across the Nation, but our current tax policies have not yet proved to be meaningful incentives for making energy-efficient upgrades to existing buildings. For example, the landmark upgrade of the Empire State Building, which is under contract to lower energy consumption by almost 40 percent, could not qualify for a 179D deduction under the law's current structure. Senator FEINSTEIN and I are working on legislation that would make commonsense reforms to the existing section 179D tax deduction.

Section 179D of the Internal Revenue Code provides a tax deduction that allows cost recovery of energy-efficient windows, roofs, lighting, and heating and cooling systems that meet certain energy savings targets. Section 179D allows for an accelerated depreciation that encourages real estate owners to make the significant front-end investments in energy-efficient upgrades. The deduction is scheduled to expire at the end of this year. By extending, modifying, and simplifying this important provision, we can encourage energy savings, create thousands of retrofitting jobs in the construction industry, and reduce energy bills for all consumers—a win-win-win situation. Our legislation would make this critical incentive more accessible and effective for existing buildings that are currently using inefficient lighting systems, antiquated heating and cooling systems, and poor insulation. Upgrading and improving the 179D deduction will make thousands of businesses more competitive and create good-paying jobs right here in the United States.

In addition to commercial properties, our bill will also help promote energy efficiency in private residences. Homes consume more than 20 percent of our Nation's energy, so we need to give American homeowners a helping hand to increase the energy efficiency of their properties. Our legislation does this by establishing a section 25E tax credit for homeowners. Homeowners would receive a 30-percent tax credit of up to $5,000 for making an investment in energy efficiency and reducing energy consumption and costs. Simply put, it is an incentive that encourages homeowners to choose the most inexpensive option for saving energy. At a time of Federal budget constraints, we must prioritize tax policies so they promote the most cost-effective methods of bolstering our energy security. Performance-based energy efficiency improvements can transform America's homes and lower energy bills for the families who live in them.

Finally, our legislation targets the sector with the largest potential for increasing energy efficiency in our country—the industrial sector. Our bill offers focused, short-term incentives in four areas to help manufacturers make the efficiency investments necessary to innovate and compete. These critical areas include water reuse and replacing old chillers that harm the atmosphere.

I have a letter dated September 17, 2013, from a large coalition of business, labor, and environmental groups supporting the Cardin-Feinstein approach to the reform of section 179D. The Real Estate Roundtable spearheaded the letter, but 50 different organizations have signed on. I want to quote one part of that letter. This is a quote from the letter that was sent in support of the legislation:

> The Section 179D deduction is a key incentive to leverage significant amounts of private sector investment capital in buildings. It will help spur construction and manufacturing jobs through retrofits, save businesses billions of dollars in fuel bills as buildings become more energy efficient, place lower demands on the power grid, help move our country closer to energy independence, and reduce carbon emissions.

I think that is exactly what we should be doing. These are the types of incentives we should be working for. If you look at the groups that have signed on to this letter, these are groups that understand how to create jobs and that Congress can help in that regard.

Madam President, I ask unanimous consent that a copy of that letter be printed in the RECORD following my remarks.

Senator CRAPO and I will be introducing legislation that will fix a problem that is keeping energy-efficient roofing materials from being deployed. This is a separate bill that I think could help us create jobs, save energy, and help our environment.

The current Tax Code acts as an obstacle to retrofitting old roofs with energy-efficient ones because, generally speaking, commercial roofs are depreciated over 39 years. Our bill would shorten the depreciation schedule to 20 years for roofs that meet certain energy efficiency standards and that are put in place over the next 2 years. By shortening the depreciation schedule, we are lowering the amount of tax businesses would otherwise have to pay. They get the advantage of their savings in the early years.

This change will create more jobs by encouraging the construction of new roofs and by putting more cash into the hands of businesses. It is good tax policy because the average lifespan of a typical commercial roof is only 17 years. So this legislation corrects an inequity in the Tax Code by aligning the depreciation period closer to the lifespan of commercial roofs.

Securing America's energy and economic future requires a renewed focus on energy efficiency. I hope we can pass the legislation that is before us and send it to the House. I hope the House will send us a tax bill that can serve as the basis for using the Tax Code to promote energy efficiency.

Energy efficiency gains are a win-win for families, businesses, job seekers, taxpayers, our human health, and the environment. We can create jobs, we can help our economy, we can become more competitive, and we can have a cleaner environment if we do the right thing with the legislation before us and are able to improve our Tax Code to help achieve those goals.

I yield the floor.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

SEPTEMBER 17, 2013.

Re: 179D Tax Deduction for Energy Efficient Buildings.

Hon. MAX BAUCUS,
Chairman, Committee on Finance, U.S. Senate.
Hon. ORRIN HATCH,
Ranking Member, Committee on Finance, U.S. Senate.
Hon. DAVE CAMP,
Chairman, Committee on Ways and Means, House of Representatives.
Hon. SANDER LEVIN,
Ranking Member, Committee on Ways and Means, House of Representatives.

DEAR CHAIRMEN AND RANKING MEMBERS: Our organizations and companies represent a broad spectrum of the U.S. economy and include real estate, manufacturing, architecture, contracting, building services firms, financing sources, and environmental and energy efficiency advocates. Many of the entities we represent are small businesses that drive and sustain American job growth. We support the tax deduction at section 179D of the Internal Revenue Code, which encourages greater energy efficiency in our nation's commercial and larger multifamily buildings. As Congress continues to assess comprehensive tax reform, we support section 179D's extension and necessary reforms to spur retrofit projects in existing buildings.

The section 179D deduction is a key incentive to leverage significant amounts of private sector investment capital in buildings. It will help spur construction and manufacturing jobs through retrofits, save businesses billions of dollars in fuel bills as buildings become more energy efficient, place lower demands on the power grid, help move our country closer to energy independence, and reduce carbon emissions.

Section 179D provides a tax deduction (not a credit) that allows for cost recovery of energy efficient windows, roofs, lighting, and heating and cooling systems meeting certain energy savings performance targets. Without section 179D, the same building equipment would be depreciated over 39 years (business property) or 27.5 years (residential property). These horizons do not meaningfully encourage real estate owners to bear the immediate and expensive front-end costs associated with complex energy efficiency upgrades. Section 179D allows for accelerated depreciation of high performance equipment that achieves significant energy savings.

Current law has the perverse effect of discouraging energy improvements. Utility bills and the costs of energy consumption are part of a business's ordinary and necessary operating expenses, and are thus fully and immediately deductible. Section 179D is a critical provision because, by encouraging greater building efficiency, it aligns the code to properly incentivize energy savings. Moreover, relative to the code's incentives for energy creation, taxpayers get more ''bang for the buck'' through efficiency incentives like the section 179D deduction. Dollar for dollar, it is much cheaper to avoid using a kilowatt of energy than to create a new one (such as through deployment of fossil fuel or renewable technologies). As a matter of tax, budget, and an ''all of the above'' energy policy, section 179D checks all of the right boxes.

Regardless of the ultimate result of comprehensive tax reform, the section 179D deduction is scheduled to expire at the end of this year. While the provision should be carefully considered as part of the code's possible overhaul, Congress should also extend this important incentive with reasonable improvements that better facilitate ''deep'' energy retrofit improvements in buildings. In this regard, the Commercial Building Modernization Act (S. 3591) from last Congress—introduced by Senators Cardin and Feinstein, and former Senators Bingaman and Snowe—is a step in the right direction of a ''performance based'' and ''technology neutral'' deduction that both of your committees have emphasized must be the hallmarks of any energy tax incentive. Revisions of the sort proposed by S. 3591 would improve the section 179D deduction by providing a sliding scale of incentives that correlate to actual and verifiable improvements in a retrofitted building's energy performance. S. 3591 does not select technology ''winners or losers'' but respects the underlying contractual arrangements of building owners and their retrofit project design teams, who are best suited to decide which equipment options in a given structure may achieve high levels of cost-effective energy savings.

Furthermore, any 179D reform proposal should ensure that building owners have their own ''skin in the game'' of a retrofit project—such as S. 3591's specification that the financial benefits of the tax deduction cannot exceed more than half of project costs.

Congress should extend and improve the section 179D tax deduction before it expires at the end of 2013. We urge you to look to S. 3591 from last Congress as the starting point for further deliberations and refinements this fall.

SUPPORTING ORGANIZATIONS

ABM Industries; Air Conditioning Contractors of America; Air-Conditioning, Heating and Refrigeration Institute; American Council for an Energy-Efficient Economy; American Gas Association; American Hotel & Lodging Association; American Institute of Architects; American Public Gas Association; American Society of Interior Designers; ASHRAE; Bayer MaterialScience LLC; Building Owners and Managers Association (BOMA) International; CCIM Institute; Concord Energy Strategies, LLC; Consolidated Edison Solutions, Inc.; Council of North American Insulation Manufacturers Association.

Danfoss; Empire State Building Company/Malkin Holdings; Energy Systems Group; First Potomac Realty Trust; Independent Electrical Contractors; Institute for Market Transformation; Institute of Real Estate Management; International Council of Shopping Centers; International Union of Painters & Allied Trades (IUPAT); Johnson Controls, Inc.; Mechanical Contractors Association of America (MCAA); Metrus Energy, Inc.; NAIOP, the Commercial Real Estate Development Association; National Apartment Association; National Association of Energy Service Companies (NAESCO); National Association of Home Builders; National Association of REALTORS®; National Association of Real Estate Investment Trusts.

National Association of State Energy Officials; National Electrical Contractors Association; National Electrical Manufacturers Association; National Lumber and Building Material Dealers Association; National Multi Housing Council; National Roofing Contractors Association; Natural Resources Defense Council; Owens Corning; Plumbing-Heating-Cooling Contractors—National Association; Polyisocyanurate Insulation Manufacturers Association (PIMA); Real Estate Board of New York; The Real Estate Roundtable; The Sheet Metal, Air, Rail and Transportation International Association; Sheet Metal and Air Conditioning Contractors' National Association; U.S. Green Building Council; Window and Door Manufacturers Association.

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

The PRESIDING OFFICER (Mr. COONS). Without objection, it is so ordered.

THE ECONOMY

Mr. SANDERS. Mr. President, 5 years ago, as a result of the greed and the recklessness and the illegal behavior on Wall Street, this country was plunged into the worst economic crisis since the Great Depression of the 1930s. As a result, millions of people lost their homes, lost their jobs, and lost their life savings. And about 5 years ago we were looking at a situation where some 700,000 Americans a month were losing their jobs—an unbelievable number. The stock market plummeted. There was panic in the financial sector.

The good news is that to a significant degree we have stabilized that situation. We are not losing hundreds of thousands of jobs a month. The stock market is, in fact, doing very well. But what is important to understand is that it is imperative we not accept the ''new normal'' for the economy as it is today because the reality is that today, while the situation is better than it was 5 years ago, for the middle class and for the working families of this country the economy is still in very bad shape. And I am not just talking about a 5-year period; I am talking about a generational situation.

Mr. President, you may have seen that just yesterday the Census Bureau came out with some new and extremely disturbing statistics, and it tells us why so many Americans are frustrated and angry with what is going on in Washington and why so many people respond to pollsters and say: Yes, we believe the country is going in the wrong direction.

What they are saying is true. They have every reason to be angry, every reason be frustrated. Of course, economically this country is moving, in a very significant way, in the wrong direction.

This is what the Census Bureau reported yesterday: They said the typical middle-class family, the family right in the middle of American society, that median family income today is less than it was 24 years ago. Median family income today for that typical American family is less than it was 24 years ago.

In 2002, typical middle-class families, that family right in the middle, made $51,017. Back in 1989, that family made $51,681. What does that mean? It means that 24 years later, after all of the effort and the hard work of people, today they are worse off than they were 24 years ago.

Let's think about what that means. It means that despite the explosion of technology and all of the robotics, all of the cell phones and everything else that has made this economy more productive, the median family income today is worse than it was 24 years ago.

I will give you an example of what that means. If during the period from 1989 through 2012 that typical American family had received just a 2-percent increase in their income—just 2 percent, a very modest increase—that family today, instead of making $51,000 a year, would be making $81,000 a year. That is a $30,000 gap.

If over that 24-year period people had seen a modest—I am not taking about a huge increase—a modest increase in their income of 2 percent, which people certainly deserve, that family would make $81,000 a year. Today that family is making $51,000 a year—less than that family was making 24 years ago.

This is what the Census Bureau also reported. They said the typical middle-class family has seen its income go down by more than $5,000 since 1999, after adjusting for inflation—$5,000.

They told us the average male worker made $283 less last year than that same worker made 44 years ago. Do you want to know why people are angry? They see an explosion of technology, they see an explosion of productivity, and yet a male worker today is making less than a male worker—the average male worker—made 44 years ago.

The average female worker earned $1,775 less than they did in 2007. A recordbreaking 46.5 million Americans lived in poverty last year. That is more people living in poverty than at any time in American history. Sixteen million children live in poverty. That is almost 22 percent of all kids in America. That is the highest rate of childhood poverty in the industrialized world. That is the future of America. Over one out of five kids in the country is living in poverty.

A higher percentage of African Americans lived in poverty last year than was the case 15 years ago, and 9.1 percent of seniors lived in poverty last year, higher than in 2009. More American seniors were living in poverty last year than in 1972. Today, 48 million Americans are uninsured, no health insurance. That will change as a result of ObamaCare. But as of today, 48 million Americans are uninsured, 3 million more than in 2008.

So when people call the Presiding Officer's office in Delaware or my office in Vermont and they say: You know what: we are hurting, they are telling the truth. What they are saying is Congress seems to deal with everything except the reality facing the middle class and working families of this country.

People worry desperately not only for themselves, they worry more for their kids. What kind of education will their kids have? Will there be enough teachers in the classroom? Will their kids be able to afford to go to college or will young working families be able to find quality, affordable child care? What kind of job will their kids have when they get out of high school or they get out of college?

Those are the questions that tens of millions of Americans are asking all over this country. Here in Washington, we are not giving them clear and straightforward answers. What makes this moment in American history unique is that while the great American middle class is disappearing and while the number of Americans living in poverty is at an alltime high, something else is going on in this society; that is, that the people on top, the top 1 percent, have never, ever had it so good. Last week we learned an astounding fact I want everybody to hear clearly; that is, between 2009 and 2012, the last years we have information on, 95 percent of all new income created in this country went to the top 1 percent—95 percent of all of the new income created in America went to the top 1 percent.

The bottom 99 percent shared in 4 percent of the new income. So what we are seeing as a nation is the disappearance of the middle class, millions of families leaving the middle class and descending into poverty, struggling desperately to feed their families, to put gas in their car, to get to work, to survive on an $8-an-hour wage.

You have that reality over here, and then you have another reality; that is, the people on top are doing better than at any time since before the Great Depression.

Today, the top 1 percent own 38 percent of the Nation's financial wealth. Meanwhile, the bottom 60 percent, the majority of the American people together, own only 2.3 percent of the wealth in this country. When I was in school we used to—and I am sure all over this country—study what we called an oligarchy. An oligarchy is a nation in which a handful of very wealthy people control the economy, control the politics of the nation. It does not matter about political parties because they own those parties as well.

Guess what. What we used to look at in Latin America and laugh about or worry about has now come home to