

AFFORDABLE CARE ACT

Mr. REID. Mr. President, the majority leader can't seem to let the facts as they exist get in the way of his ideology. The facts are that the Affordable Care Act is working, and 16.5 million people are proof of that because they have access to health care, most of whom did not have it before.

In the light of day, it has been shown that private insurance companies were taking advantage of the American people. They cannot do that now under the Affordable Care Act. Companies that are proposing these huge rate increases simply won't get them. Understand that 80 percent of every dollar that is charged by an insurance company in premiums—80 percent of it—has to go toward caring for people. If it doesn't, there are rebates, and hundreds of thousands of Americans during the last few years have gotten rebates as a result of insurance companies not spending 80 percent of the money they are getting in premiums for health care.

The sad commentary is that insurance companies took advantage—took advantage by not insuring people who had preexisting disabilities. One “disability” that insurance companies said was preexisting was the fact that you are a woman. Some insurance companies charged more for the same care if you are a woman and not a man. We have wide-ranging evidence that was in existence before and I guess my Republican colleagues want back again where insurance companies determine how much—they could arbitrarily cut off insurance to someone. They had these arbitrary limits. They can't do that anymore. Senior citizens have received millions of benefits from the Affordable Care Act. They get a wellness check every year for no cost at all. They no longer have to worry about the hole in the doughnut, so to speak, as we call it, on coverage for their prescriptions.

There are many things we can talk about. The fact is that the Affordable Care Act is working, and we are going to continue to defend it as the American people want us to do.

AMENDMENT NO. 1521

Mr. REID. Mr. President, this afternoon the Senate will vote on an important amendment offered by a graduate of the United States Military Academy at West Point, the Senator from Rhode Island, JACK REED, who is also the ranking member of the Armed Services Committee.

I commend Senator REED for the stellar job he has done in being a manager of this bill. He is one of the most thoughtful and responsible Members of the Senate and always has been. He has great legislative experience, having served in the House before he came here.

Senator REED's amendment addresses a major threat to our national security and the middle class—sequestration.

Sequestration refers to deep, mindless, automatic cuts throughout the government. These cuts were authorized 4 years ago to force Congress to reduce the deficit in a balanced way.

Unfortunately, they did not work. Republicans are unwilling to close even a single tax loophole—not a single tax loophole to reduce the deficit. Now we face the prospect of arbitrary and unreasonable cuts that were once assumed to be so stupid that Congress would not allow them to happen. But something that everyone thought was stupid is now official Republican policy. Unless we can reach a bipartisan agreement to fix sequestration, these cuts will occur, not smoothly but as if done by a meat cleaver.

That threatens not only our military security but also the economic security of America's middle class, which really is our national security. The bill aims to avoid sequestration for the Defense Department with a widely ridiculed budget loophole, which would put actual defense spending on the Nation's credit card, increasing our deficit and our debt.

I am stunned by my friend, the senior Senator from Arizona. When I was an appropriator, I was on this Senate floor and I watched him, with his staff in the back of the room every time we did an appropriations bill. He pored through line by line with his staff of every appropriations bill. If there was something he thought was askew he would object to it. We got used to that because, frankly, it saved money over time.

He referred to all the pork that was in these bills, and he and I disagreed on what was determined to be pork, but I understood where he was coming from. I am just flabbergasted now that the senior Senator from Arizona, the chairman of the Armed Services Committee, is agreeing to a one-time gimmick. All the experts have said these gimmicks don't work—especially this one. Now, the committee, led by my friend the senior Senator from Arizona, is agreeing to this gimmick. Think of that. The Republicans, led by the senior Senator from Arizona, are advocating deficit spending big time—not a little bit, big time—tens of billions of dollars.

Our troops deserve better than this. Meanwhile, unless we deal with the impact of sequestration more broadly, middle-class America will suffer drastic cuts in things that matter to them the most—cuts in priorities such as education, job creation, and lifesaving research. Sequestration of nondefense programs is also an attack on our military families. For example, sequestration threatens to cut VA spending, health care spending for the military, job training for returning veterans, schools that teach children of military families, and heating assistance for veterans who are struggling.

If we are going to be fair to military families, just as to millions of other working Americans, we need to fix sequestration for more than just the Pen-

tagon. We need to fix it for defense and nondefense programs jointly. Defense and nondefense are inextricable. They are certainly things we cannot separate.

That is what the Reed amendment is designed to change through bipartisan negotiations. There is no reason to wait to negotiate a bipartisan budget. It makes no sense to start spending extra money on defense or anything else until we agree on an overall plan. Put simply, we ought to budget first and spend later. That is the only responsible way for a family or our Nation to conduct its business.

That is why the Reed amendment makes so much sense. I urge my colleagues to support the Reed amendment. A plan that avoids unnecessary cuts to priorities such as education, job creation, and research is what the Reed amendment is all about. It is a plan that funds all agencies that protect our security, including the FBI, the Department of Homeland Security, and the Drug Enforcement Administration—all of these vital programs. It is a plan that funds our troops, protects military families, and makes the long-term investment needed to ensure a secure, prosperous future for all Americans.

Less than 2 years ago, Democrat PATTY MURRAY and Republican PAUL RYAN proved it could be done. Let's put an end to the games and gimmicks and start putting together a responsible budget.

RESERVATION OF LEADER TIME

The PRESIDING OFFICER. Under the previous order, the leadership time is reserved.

MORNING BUSINESS

The PRESIDING OFFICER. 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, with the majority controlling the first half and the Democrats controlling the final half.

The Senator from South Dakota.

NATIONAL DEFENSE
AUTHORIZATION ACT

Mr. THUNE. Mr. President, last fall, Republicans promised that if we were elected to the majority in the Senate, we would get the Senate working again. A big part of that is getting the appropriations process working again. When the Senate is functioning properly, 12 separate appropriations bills are considered individually in the Appropriations Committee and then brought to the Senate floor for debate and amendment.

This process is designed to allow Senators to carefully examine programs and consider the best and most responsible way to distribute funding. But the

appropriations process has not worked that way for a while. Too often, over the past few years, the majority of the year's appropriations bills have been thrown together in one catchall funding bill, greatly reducing Senators' ability to take a hard look at spending and to ensure that funds are being allocated responsibly.

Republicans are determined to change that. We started the appropriations process by passing a balanced budget resolution for the first time in over 10 years. This week, we continue the process with the National Defense Authorization Act, which authorizes funding for our Nation's defense and our men and women in uniform. This authorization bill is the first step in the appropriations process for defense funding under what we call regular order.

This legislation accomplishes a number of important things. It authorizes funding for our military at the President's requested level of \$612 billion. It also eliminates waste and inefficiencies. Specifically, the bill targets \$10 billion in wasteful and unnecessary spending and redirects those funds to military priorities such as funding for aircraft and weapons systems and modernization of Navy vessels.

The bill also focuses heavily on reform. The military's current process for acquiring new equipment and technologies is inefficient and bureaucratic. It wastes our Nation's resources and, even more importantly, it reduces our military readiness by delaying the acquisition of essential weapons, equipment, and technology. The National Defense Authorization Act introduces broad reforms to modernize and streamline the acquisitions process, which will significantly improve the military's ability to access technology and equipment when it needs it.

The act also implements a number of reforms to the Pentagon's administrative functions. Over the past few years, Army Headquarters staff has increased while combat personnel have been cut. Army Headquarters staff increased 60 percent over the past decade, yet the Army is currently cutting brigade combat teams.

From 2001 to 2012, the Department of Defense's civilian workforce grew at five times the rate of Active-Duty military. Prioritizing bureaucracy at the expense of our preparedness and our Active-Duty military is not an acceptable use of resources.

The Defense authorization bill that we are considering changes the emphasis at the Department of Defense from administration to operations, which will help ensure that our military personnel receive the training they need and that our military is ready to meet any threats that arise. Finally, this bill overhauls our military retirement system. The current military retirement system limits retirement benefits to soldiers who served for 20 years or more, which eliminates 83 percent of those who have served, including many

veterans of the wars in Iraq and Afghanistan.

The National Defense Authorization Act replaces this system with a modern retirement system that would extend retirement benefits to 75 percent of our servicemembers. The bill before us today is a strong bill. It is the product of bipartisan efforts. It authorizes funding for our troops at the level requested by the President and provides key reforms that will strengthen our Nation's defense and improve training benefits and quality of life for our servicemembers.

Supporting this legislation should be a no-brainer. Incredibly, however, the President has threatened to veto this important legislation. His reason is that the President does not want our military to receive the increased levels of funding proscribed in this bill unless the President's nondefense funding priorities receive an increased level of funding.

That is right. Apparently, President Obama is willing to hold up funding for our Nation's military until Congress provides more funding for agencies such as the IRS and the EPA. Well, the President can certainly make his case to Congress when it comes to funding government agencies. Holding troop funding hostage for political purposes is reckless and irresponsible. If that were not enough, the White House is busy lobbying Senate Democrats to abandon bipartisan efforts that went into this bill and back up a Presidential veto.

The National Defense Authorization Act plays a key role in keeping our Nation safe. The President's attempt to hijack this bill for his political purposes is wrong. I very much hope that he will consider the implications of what he is doing and rethink that threat.

OBAMACARE

Mr. THUNE. Mr. President, before I close, I want to take just a few minutes and discuss the President's health care law. The President made some comments yesterday on the upcoming Supreme Court ObamaCare decision. Referring to his health care law, the President said:

What's more, the thing's working. Part of what's bizarre about this whole thing is we haven't had a lot of conversations about the horrors of ObamaCare because it hasn't come to pass.

That was from the President yesterday. Let me just repeat and put that into context. The President of the United States thinks that ObamaCare is working and that negative predictions about the law have not come to pass. Well, to respond to that, let me just read a few headlines from the past couple of weeks. This from CNN: "Obamacare sticker shock: Big rate hikes proposed for 2016." From the Associated Press: "Many health insurers go big with initial 2016 rate requests." From The Hill: "Overhead costs explod-

ing under ObamaCare, study finds." From the Associated Press again: "8 Minnesota health plans propose big premium hikes for 2016." From the Lexington Herald-Leader: "Most health insurance rates expected to rise next year in Kentucky."

I could go on. The truth is that not only is ObamaCare not working, but it is rapidly unraveling. A May 1 headline from the Washington Post reported: "Almost half of Obamacare exchanges face financial struggles in the future."

Hawaii's exchange has already failed. California's exchange is struggling to sign up consumers. One-third of the consumers who purchased insurance on the California exchange in 2014 declined to reenroll in 2015. The Massachusetts exchange is being investigated by the Federal Government.

Colorado's exchange is struggling financially and has raised fees for consumer insurance plans. Rhode Island's Governor is pushing for new fees on insurance plans to help fund the \$30.9 million operating cost of the Rhode Island exchange. Now, incidentally, that is \$30.9 million to run an exchange that serves just 30,000 people.

The Minnesota exchange was supposed to cover more than 150,000 individuals in its small business marketplace by 2016. So far, it is covering 1,405 individuals, or approximately 1 percent of the number it is intended to cover. The Minnesota exchange has cost Federal taxpayers \$189 million so far—\$189 million for an exchange that provides coverage for just 61,000 people.

A recent Forbes article notes that Vermont's exchange "will need \$51 million a year to provide insurance to fewer than 32,000 enrollees—or \$1,613 per enrollee in overhead. Before ObamaCare, \$1,600 would have been enough to pay for the entire annual premium for some individual insurance plans."

While the ObamaCare exchanges unravel, health insurance costs on the exchanges are soaring. Insurers have requested double-digit premium increases on 676 individual and small group plans for 2016. More than 6 million people are enrolled in plans facing average rate increases of 10 percent or more. Around the country, rate increases of 20, 30, 40, and even 50 percent are common.

One health care plan in Arizona is seeking a rate increase of 78.9 percent—so much for the President's promise that his health care plan would "bring down the cost of health care for millions". In my home State of South Dakota, proposed rate increases range up to 44.4 percent. That is not something South Dakota families can afford.

The discussion about ObamaCare's success or failure is no longer theoretical. The evidence is in, and it shows the President's health care law is broken. It is time to repeal ObamaCare and to replace it with real health care reforms that will actually drive down costs. Five years under ObamaCare is long enough for American families.