

Now, it is not uncommon for every agency of the Federal Government to use contractors. The Department of Defense uses contractors. They do necessary work. They provide services for our troops overseas. We owe our troops, we owe them, given the sacrifices they are making to provide those needed services in an effective and efficient way, but we also owe the taxpayer clear oversight in terms of how their money is spent to make sure that these services that are provided, these tasks that are undertaken by defense contractors as well as all Federal contractors are done so in an accountable way.

The issue today arises out of a report by the Special Investigator General for Afghanistan Reconstruction. That report identified a total of \$135 million of questionable costs spent by one specific contractor between October 2011 and March 2014. He said that in most cases the funds that were spent were not supported with adequate documentation or did not have prior approval. In another instance, this same contractor also overcharged the government by over \$1 million. The government lost about \$37,000 in interest payments. That is a little bit of change in a total of billions of dollars being spent, but nevertheless it is not all that small of an amount to a number of Americans who work awfully hard to pay their taxes, and they want those taxes to be used wisely.

Again, this same contractor in three other cases violated Federal procurement law in securing contracts totaling almost \$5 million.

So here we have one contractor that has been singled out among many but put in place \$135 million of questionable costs, and the American taxpayers have every right to know how and where their tax dollars are spent and particularly those tax dollars which are spent on providing our Armed Forces, men and women in uniform, with the necessary services they need.

This was compounded when in 2012 headlines showed that two former employees of this particular contractor, in a video, were drunk or under the influence of narcotics during parties that were allegedly thrown “every other day” at the contractor’s operations center in Kabul. So to compound the problem, not only were the costs questioned, but also the character and behavior of the employees were something we certainly are not proud of.

All of this happened, as the video shows, while weapons were present. Bonfires were also lit, and employees would often throw live ammunition rounds and fire extinguishers into the flames.

Some might say: Well, OK, that is a one-off. That is an aberration. That surely doesn’t happen all the time. There is a bad apple here, and there are a bunch of good apples in the barrel.

Yes, there are contractors that are providing services to our men and women who are doing it in a responsible and legal way, but the special inspector for Afghanistan has also found

multiple examples of similar types of waste. In fact, since its creation, the special inspector for Afghanistan has undertaken 324 investigations—he is a busy man—and has accounted for over \$571 million of misspent taxpayer dollars, and this is just in Afghanistan. As you know, we have operations around the world, and when we total everything, who knows what that final number will be.

I am pleased to report that while these numbers are disturbing, there is also progress being made. The special investigator for Afghanistan whom I have referred to has made over 200 recommendations for reforms and over 160 of those recommendations have been adopted by the Department of Defense in trying to help safeguard Federal dollars. So I don’t want to leave the impression that something isn’t being done about this. Nevertheless, it is important that we bring these things to light so that we can put procedures in place that will prevent them from happening again.

Also, I am pleased that title VIII of this bill we are now debating on this floor, the National Defense Authorization Act for Fiscal Year 2016, directly addresses defense acquisition policy and management and would make several reforms to the contracting process. So action is being taken. For instance, the bill that calls for the Department of Defense to establish a preference for fixed-price contracts when developing new programs is a needed reform that is part of this legislation we are debating now. Entering into fixed-price contracts helps eliminate the kinds of questionable costs and cost overruns seen in many previous contracts.

We need to make sure, Congress needs to make sure, all of us need to make sure that our service men and women have the support they need to defend our Nation. That is why it is so frustrating when we hear about these instances of contractors that are supposed to be supporting our troops but instead are wasting money, whether intentionally or through error or through simply misbehavior.

So what we have done today is add another \$571 million to our taxpayer savings gauge. As you can see, we are pushing toward the goal of \$100 billion. We hope to go past that. There is no end of issues that need to be addressed so that we can tell the American people that we are running an efficient and effective shop in Congress and that we are being careful with their taxpayer dollars.

I look forward to returning to the floor next week for my next installment of the “Waste of the Week.”

With that, I yield the floor.

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

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

Mr. COATS. Mr. President, given the fact that no one has come to the floor, I wish to speak on another matter. I will do so, and when other Members come to the floor to speak, I will try to wrap up and save that time for them.

#### OBAMACARE

Mr. COATS. Mr. President, last week I chaired a hearing of the Joint Economic Committee entitled “Examining the Employment Effects of the Affordable Care Act.” The purpose of the hearing was to discuss how the Affordable Care Act has affected the ability of Americans to earn and do business, particularly for small businessmen.

The impact of the Affordable Care Act—better known as ObamaCare—is particularly important to discuss at this point this year now that the delayed employer provisions are in effect and employers are feeling the pinch. Frankly, “pinch” is the wrong word; they are feeling the hammer blow of the burdens imposed on them, both from regulatory and a tax standpoint that are directly affecting their ability to grow, to provide jobs, and to expand their business.

The Congressional Budget Office estimates that the law, ObamaCare, will reduce the total number of hours worked by as much as 2 percent from the years 2017 to 2024.

People said: Two percent—is that a big deal?

Yes, it is a big deal. It is equal to 2.5 million full-time-equivalent jobs—for workers who are looking for those jobs.

The CBO reasoned that this would result from new taxes embedded throughout the ObamaCare program—not talked about when this was passed. In fact, nothing was talked about that was passed in terms of the way people could understand it, as acknowledged by the former head of the House of Representatives.

With new taxes and measures that employers will face and the financial benefits that some will be imposed, the CBO estimates a 1-percent reduction in total pay over the same timeframe as a result of ObamaCare.

This was something that was sold to the American people without credibility. All the promises that were made, some so defiantly made by the President. He said: Take my word for it, period, not one penny of increase in your premium cost. Keep your doctor. If you like your doctor, keep your doctor. If you like your health care plan, keep your health care plan. What a misrepresentation of the bill this has been.

I have received many stories in my office, by email, by regular mail, by phone calls with descriptions of the impact this law has had and the broken promises that have imposed higher premiums, higher copays, higher deductibles, and higher costs for the American people. So we anxiously

await the decision of the Supreme Court, which will be coming in several weeks or less, to see where we go.

I want to take this opportunity to share just one story of one company and the head of that company and what that one small company—providing needed and good jobs for Hoosiers in my State—has had to endure under this particular law. I think this was expressed so well by the head of that company. His name is Dr. Joseph Sergio, president of the Sergio corporation.

He came before our committee, and we heard some of the most clear and defined discussion of the impact, the personal impact on families and workers of the ObamaCare act and what it has done to his small business, which I think is representative of millions of small businesses across the country.

Dr. Sergio is a first-generation American citizen whose family business was founded 36 years ago. His father was an Italian immigrant who came to America to realize the American dream, and he did. Dr. Sergio expanded his father's business, which includes First Response—a national award-winning disaster restoration company, involved in every major hurricane and storm disaster in recent history, with awards for their performance and how effectively and efficiently they brought response to people who needed it following these disasters—and Polar Clean—another company he has which is an environmentally friendly dry ice blast cleaning industrial service. We talk about going green. We talk about caring about our environment. This is a revolutionary way of cleaning any number of factories, businesses, energy companies, and so forth with a new environmentally friendly process.

Here is what Dr. Sergio said to me: "As a small business, we have felt the profound imposition of the Affordable Care Act, or as it is known among many small business entrepreneurs, the Unaffordable Care Act."

As a small business owner, Dr. Sergio said to be successful he needed to be able to accurately identify, forecast, and control expenses in order to create profits which would then be reinvested in his growing business. That means new jobs and new opportunity. That, he said, is where the frustration with ObamaCare begins.

Now, look, what Dr. Sergio outlined is economics 101. It is the first thing you learn in an economics class or the first thing your parents tell you: To be successful—and I wish this applied to the Federal Government—you have to control your costs, you have to identify and forecast what your expenses are going to be in the future and make sure you can cover those. And only when you make a profit—not just seeking neutrality here in the Federal Government—but only when you make a profit in the business can you grow that business and put more people back to work.

ObamaCare, Dr. Sergio said, has imposed a whole set of complications and

regulations on small business owners that obscures their ability to do just that—to identify, forecast, and control expenses. This makes it difficult to determine profits that are needed to increase employee wages, expand research and development, and invest in new equipment. For a company working in disaster response, all of this is important. Of course, all of this is important for any company.

Dr. Sergio said his business has been forced to make major changes to meet the requirements imposed by ObamaCare. They had to drop their health care plan because it didn't meet the requirements of ObamaCare, even though it had been worked out between the employer and the employees and they were happy with their plan.

As a result, his employees and the company are paying more for an inferior policy. He said:

Employees are now paying larger co-pays and larger deductibles. Some are opting to pay the penalty rather than absorb the high cost of ObamaCare.

This not only illustrates how ObamaCare affects businesses but how it directly affects families all across our Nation.

Small business owners are angry because ObamaCare promised to lower costs for the average family by \$2,500. That was another broken promise from the White House. They said it would lower costs by an average of \$2,500. Rather, ObamaCare now has increased the price of insurance and decreased the quality of affordable insurance.

In addition to the quality of insurance, the mandate has affected his company's growth, said Dr. Sergio. Small business owners have a limited amount of capital to spend on their labor pool—employees. The mandates of ObamaCare have pushed spending over to the benefits side. This limits the amount of day-to-day compensation increases a company can provide.

This is not only demoralizing to the employee but frustrating to the employer that is seeing capital going into an ObamaCare-compliant benefits plan that is not benefiting their employees as well as it used to. So all the touting of the magnificence of this ObamaCare helping people to have better insurance coverage without increasing their cost is a fraud. It has simply not turned out to be what it was promised to be, and it doesn't benefit his employees—small business employees—as well as the plans they had before, he said.

So this is Dr. Sergio's current dilemma. He has a history of providing a strong benefits package, paying up to 50 percent of insurance for employees and their dependents and now is unsure how he can keep it under the new law. He testified that surpassing 50 employees would now bring on more administrative costs and reporting requirements, causing him to purposely stay under the 50-employee threshold and utilize more part-time employees that work less than 30 hours per week.

We have heard story after story after story on this floor. I have an abun-

dance of messages coming into my office simply saying I have no choice other than to put my full-time employees on a part-time basis. And I have no choice of adding new employees who take me over the 50-employee threshold because it puts me into all these regulations and impositions by ObamaCare. So it is having a dramatic negative effect on employment—on business growth—and that is where the jobs are. It is not the big companies as much as it is small companies in America, and they are being strangled over these regulations and taxes imposed and the regulations telling them what they have put together that their employees are happy with, that allow the employer to be profitable so they can continue to maintain these benefits and increase wages is simply out the window under ObamaCare.

Can we repair the damage of ObamaCare? Dr. Sergio closed his remarks with this request:

Please work to undo the vast harms that ObamaCare has and is causing to the middle class and start addressing the essential issue of unleashing small businesses to create millions of new jobs which could raise most people from being at risk and into truly affordable plans.

As a small business entrepreneur and job creator, I urge you to repeal ObamaCare, and allow for market innovation within the health industry, and allow for pooling across State lines, and allow small businesses freedom from oppressive requirements, new taxes and fees, and increased uncertainty.

I was moved by his testimony, and that is why I am standing here today, so I can put it in the RECORD. I was moved by his experience of how ObamaCare has impacted his business decisions in a negative way, how it has hurt his employees, the families of his employees, how it has restricted him from expanding his business, how it has caused him from going to a profitable business, where he could do more research, do more innovation, pay more, provide more benefits to his employees to a situation where he now has to reduce those benefits, where he has to sit down with his employees and say, I am sorry, under the requirements of this new act, this is where we are as a company. We can't continue to give you the benefits you once had. We can't raise your wages because we are not making the profits, and it is either go out of business or it is to try to struggle along under this new law, which is why he believes we need to change it.

I certainly agree with that, and I think this is backed by tens of millions of businesses all across America. We can all agree with the goal of ensuring access to quality care when it is needed. I don't think anyone on this floor has disputed that fact. Unfortunately, a one-size-fits-all government-run health care system is not the answer. We are looking for the best workable, real-world solution for Americans and their health care, and we have not hit that mark. This Congress has failed and this administration has failed to hit that mark.

We should pursue initiatives that truly make health care an option for all. Such initiatives should drive down costs by increasing competition and transparency, reforming medical malpractice, making health insurance portable, promoting pooling options for small businesses, and giving States greater flexibility in how they deliver their services.

Dr. Sergio should have better certainty for his business, and all small business people should have better certainty for their future. His employees should have a better health care system, as should all Americans. These are the goals we need to reach.

We should strive for a system that puts individuals squarely in charge of their health care and doesn't discourage Americans from working and improving their earnings. That is the American dream Dr. Sergio's father sought to achieve when he started his business 36 years ago. That is the dream we should pursue. Yet we are hampered in doing that by the onerous regulations, taxes, and stipulations imposed by the health care law passed by one party without any input from the opposing party, and famously labeled as something we would need to learn about after it was passed. That was probably the most telling statement by a Member of Congress—in this case the former majority leader and then-Speaker of the House of Representatives—about something that was shoved down America's throat without any bipartisan support whatsoever.

Now, yes, if it had been read before it was passed, we could have avoided all of this. It could have been debated and people could have looked for a bipartisan way of moving forward to provide health care for the uninsured and to ensure the health care plan they imposed would not have these negative effects. That is what should have happened. It didn't. We now have a chance to rectify that. We have a chance to remedy that. We are waiting for a Supreme Court decision before we go forward with an alternative to what has cost us in terms of jobs and all the costs to small businesses in terms of their ability to grow.

That is a part of the American dream. We have denied that under this health care program, and I am hoping my colleagues will join us as we look to address this very important issue—important not only for the health of the American public but important for the growth of our economy.

Mr. President, with that, I suggest the absence of a quorum.

The PRESIDING OFFICER. Will the Senator withhold his suggestion?

Mr. COATS. The Senator will be happy to do just that.

The PRESIDING OFFICER. The Senator from Colorado.

#### PROMOTING UNITED STATES INTERESTS IN THE INDO-ASIA-PACIFIC REGION

Mr. GARDNER. Mr. President, I come to the floor this morning to talk about an amendment I have filed to the National Defense Authorization Act, amendment No. 1708.

This amendment would require the President to submit a comprehensive strategy within 120 days to promote U.S. interests in the Asia-Pacific region. This language or similar language was already placed in the House version of the fiscal year 2016 National Defense Authorization Act.

The amendment would assure that the U.S. Government is effectively marshaling resources and employing a whole-of-government approach to implement an effective, multifaceted engagement policy in the Indo-Asia-Pacific region.

This region will be vital to U.S. national interests for generations to come, and the administration's Asia pivot or rebalance policy was intended to reflect that. This is something the administration has talked about for years, this Asia rebalance or Asia pivot. But currently, the administration does not seem to have such a comprehensive strategy or approach that seamlessly incorporates U.S. military, diplomatic, and commercial activities to make the rebalance an effective policy.

In April of 2014, the Senate Foreign Relations Committee released a report stating that U.S. Government agencies "have not substantially prioritized their resources to increase engagement in the Asia-Pacific region." In fact, if we look at U.S. foreign military assistance, I believe it ranks somewhere around 4 percent of spending. If we look at the Bureaus, this region we are addressing, hopefully through the Asia pivot and rebalance, receives about 1 percent or so of funding, depending on how we measure it. In fact, it is last among the Bureau funding.

Last month, at the Shangri-La Dialogue in Singapore, Secretary of Defense Ashton Carter announced a new initiative that envisions a boost in U.S. military assistance over the next 5 years to enhance maritime security efforts with Indonesia, Malaysia, the Philippines, Vietnam, and Thailand. This effort is a welcomed step forward but alone is not enough.

These initiatives cannot take place in a vacuum. Department of Defense efforts need to be more effectively wedded with other efforts of U.S. Government agencies into a coherent and comprehensive strategy of assistance and engagement in the region. In light of the shared threats in the region, this lack of a comprehensive policy sends the wrong message to our allies throughout the region.

The amendment will ensure that Congress is a genuine partner to the administration's effort to implement this important effort. I ask my colleagues to support this amendment.

One of the challenges we have seen going forward, of course, in the Asia-Pacific region is—as we talk about Asia balance, as we talk about a pivot—our day-to-day attention seems to be more and more drawn to the Middle East, rightly so. But our long-term interests lie in Asia and these regions that we are trying to negotiate a Trans-Pacific Partnership Agreement with. Hopefully, the House will pass trade promotion authority later this week, and we can begin to work in earnest on ideas that represent our commitment through the Asia pivot or Asia rebalance.

I am concerned that we have talked a lot of good talk and we have put together some fancy rhetoric and put a pretty good label on our foreign policy efforts as it relates to the Asia Pacific, but what we haven't done is actually followed through. While I commend Secretary Carter for his efforts and commitment, we can't just stop there. We must make sure we are doing everything we can to grow our opportunities in this region through an Asia pivot or Asia rebalance that truly does need reenergizing.

One of the best ways to help a rising China truly become a great nation is to make sure it is abiding by the norms and standards of acceptable international behavior. We have talked before about the challenges we have—from violations of intellectual property rights and cyber theft. In fact, five PLA officers have been indicted. President Obama has put forward an Executive order listing possible sanctions on cyber threats. We know that if we can start avoiding these kinds of bad behaviors when we start engaging Asia and our neighbors and friends throughout the region, the region we will be dealing with through the Trans-Pacific Partnership—it is my hope we can truly bring this amendment through the National Defense Authorization Act to bring coherence and clarity to the rebalance strategy we have talked about but so far have not been the best in our execution.

#### COLORADO'S WESTERN SLOPE

Mr. GARDNER. Mr. President, I wish to talk a little bit about what is happening on Colorado's Western Slope this morning.

Several weeks ago, a judge in Denver, CO, ruled that a permit was improperly given to a mine known as the Colowyo mine on the Western Slope in Northwestern Colorado. This lawsuit was brought, I think, some 8 years after this permit was granted. Mine employees number around 220 people on Colorado's Western Slope. It is critical to the region's economy, and it is critical to the economy of Craig, CO. Without these employees and without this mine, it will truly be an economically devastating moment in Western Slope history.

So I hope the Department of the Interior will pay attention to the multiple