

health care. Hospitals are vitally important to our State's economy and vitally important to patients in need.

Don't just take my word for it, Franklin Hospital CEO, Jim Johnson told me:

In our community, at the time that the hospital in West Frankfort closed, we [Franklin Hospital in Benton] managed to stay open . . . they're just eaten up that they don't have a hospital anymore. It's incredible what the loss of a hospital can do to a small community. And I'm down there talking to those guys every day because naturally I like them to use our hospital . . . but those conversations, it has just torn this community apart.

In Illinois and nationwide, rural hospitals would be particularly hurt by Mr. MULVANEY and Republicans' prescription for chaos.

In Illinois, 62 of our 102 counties are rural. We have 51 Critical Access Hospitals, which are the hubs of their communities. Rural hospitals typically are more reliant on Medicaid and Medicare, and have tighter operating margins.

So what has the ACA meant for them? In States that expanded Medicaid, like Illinois, rural hospitals have seen greater financial stability thanks to the decrease in uncompensated care—or charity care—costs.

Thanks to the Affordable Care Act, the uninsured rate in rural communities has dropped by nearly 40 percent. This is not only great for those individuals obtaining insurance, it is also great for the rural hospitals who are now getting paid for the health services they provide.

Community Health & Emergency Services CEO Fred Bernstein told me:

You can look at Cairo as the ghost of the future. Because there is not much left that we have to lose . . . We've lost the only grocery store, and the only drug store in Cairo. If this Affordable Care Act thing isn't resolved and if we go to block grant in the Medicaid program, there's not going to be any resolution to those problems down there. We are not going to be able to stay open. At least 72-74 percent of my patients depend upon Medicaid . . . Without the expansions of Medicaid that we've already seen, and without some of the subsidies that those who can get some insurance will get to keep that insurance, there's not going to be the ability to afford any care for most of the people we serve.

Since 2009, the number of rural hospitals in Illinois operating in the red has decreased by 46 percent. Put another way, 16 rural hospitals in Illinois are now on much more solid financial footing thanks to the ACA.

I yield the floor.

The PRESIDING OFFICER. The Senator from Arkansas.

#### TAX REFORM

Mr. COTTON. Mr. President, our Tax Code is a mess. No one voted for it, no one wants it, and no one likes it. I have said many times we should eliminate all of the special interest loopholes in the code and use that money to cut taxes for everyone, including American businesses. We want to encourage them to invest, grow, and create more jobs right here in America.

I know my colleagues are working on a tax bill, and I want to stress how much I support their efforts. I will, of course, withhold judgment on any proposal until I see the final text, but I also want to say today, I have reservations about one idea that is being considered. It is called a border adjustment tax. It sounds like something from Orwell's *Newspeak*.

Here is how it would work. We would cut taxes for corporations. To make up for the lost revenue, we would tax businesses whenever they bought something from another country. For instance, every time Ford bought an auto part from Canada, it would pay a 20-percent tax or every time your local grocery store bought bananas from Guatemala, it would pay a 20-percent tax. Whatever money businesses made from selling their products in other countries would be exempt. In other words, what all this would amount to is a 20-percent tax on imports. The proponents of this tax contend it would stop businesses from leaving our country because right now some are moving overseas to avoid paying our corporate tax rate, which is the highest in the modern industrial world. Under this proposal, it would not matter where you put your headquarters, you would be taxed according to what you bought, not where you put down your stake.

The hope is, this arrangement would mean more headquarters, more factories and the jobs that come with them staying right here in America, which of course is a desirable goal, no doubt, but I am not at all convinced this is the best way to do it. Consider this. It is estimated that this one change alone would produce something like \$100 billion a year in additional tax revenue. That is a lot of money, and someone has to pay for it. I will tell you exactly who is going to pay: working Americans who have been struggling for decades. A tax on imports is a tax on things working folks buy every single day. I am not talking about caviar and champagne. I am talking about T-shirts, jeans, shoes, baby clothes, toys, and groceries.

I have heard from thousands of Arkansans who are already struggling just to get by. Why would we make the stuff they get at Walmart more expensive? Its defenders say the tax will not increase the cost of imports. What will happen, they say, is our exports will be cheaper because we no longer tax them so then more people overseas will buy our exports from us, which means the dollar itself will increase in value. That means imports will not be expensive because you will be able to buy them with a stronger dollar. So even with the tax added on, you will still come out right where you were before.

This logic reminds me of Orwell again: Some ideas are so stupid only an intellectual could believe them. This is a theory wrapped in speculation inside a guess. Nobody knows for sure what will happen. No one can know for sure because currency markets fluctuate

daily based on millions of decisions and events. Just because an economist slaps an equation on a blackboard does not make it real so I am more than a little concerned these predictions will not pan out.

As the old joke goes, after all, economists have predicted nine of the last five recessions. But if that happens, it will not be economists and intellectuals and politicians in Washington and New York left holding the bag; working Americans will get stiffed again.

Finally, I want to say a word about jobs. One of the biggest reasons for fixing the Tax Code is that it would help create more jobs, but if we increase the cost of goods, people obviously can't buy as much, which will hurt retail sales and retail jobs too. Retail companies are the largest private sector employers in almost every State. Are we really going to impose a huge tax on the livelihood of so many Americans and say: Oh, don't worry. It will all work out in the end.

We have to take a hard look at this proposal right now. Therefore, while I support fundamental tax reform and commit to reserve judgment on any final bill until I read it, today I want to put on the record my serious concerns about a border adjustment tax. Many other Senators share those concerns. We most certainly will not keep our powder dry and see working American's railroad with a precooked deal that raises their taxes and increases the price of the stuff they buy every single day.

It is February 15. By law, the President is required to submit a budget to Congress by the first Monday of this month. That was over a week ago. Now, being a new administration, we expect him to be a few weeks late as has typically happened in recent times. The difference this year, though, is that President Trump still does not have a budget director. We are 4 weeks into his Presidency, and we are only just now getting around to confirming his nominee.

For those of you keeping score at home, that is the longest delay in recent history. Every one of the last six Presidents had their budget director confirmed by a week's time—as in 7 days. In other words, what we are seeing is a deliberate act of obstruction. Here is the real problem. We have serious work to do. It is that much more difficult for the President to do his job when all he has is a headless horseman bureaucracy.

Senate Democrats might consider this payback. They might consider it their chance to audition for the 2020 Presidential primary, but the American people are the ones paying the price for this obstruction.

I want to say again, this is not a game. This is not a protest. This is our job. This is what the American people sent us to do. It is time we got down to business. In that spirit, I want to say a few words in support of the President's

nominee for the Director of the Office of Management and Budget, MICK MULVANEY. I don't have to cite or recite MICK's biography for many of you.

He has been representing the good people of South Carolina's Fifth District in the House of Representatives for more than 6 years now. Before that, he led an impressive career as what he called a serial entrepreneur, starting four different businesses. I hear some of them may have even succeeded.

He has worked in fields as varied as law, real estate, homebuilding, and restaurants. He is highly educated and very accomplished. I would like to point out, he is a friend of mine, a trusted confidant, someone whose advice and counsel I have often sought.

I can say with confidence, he will serve President Trump and the American people with dedication and distinction. I believe MICK will bring a needed voice to the President's Cabinet, a voice for fiscal responsibility after so many years of irresponsible sky-is-the-limit spending.

All that experience in the real economy gives him something more than a lengthy resume. He knows from personal experience what it takes to create jobs and create opportunities out of almost nothing. He knows the self-discipline it takes, the hard work, the perseverance. He knows what Americans have to go through every day just to earn an honest dollar. That is why he has been so protective of every taxpayer dollar ever put in his care. That is the kind of man we need as our next OMB Director.

It is only when Washington appreciates what goes into making all of those taxpayer dollars that it will show the taxpayers the respect they deserve. I want to express my strong support for the next Director of the Office of Management and Budget, my friend, MICK MULVANEY.

I yield the floor.

The PRESIDING OFFICER. The Senator from New Hampshire.

Mrs. SHAHEEN. Mr. President, unfortunately I don't share the enthusiasm of my colleague from Arkansas for MICK MULVANEY to serve as the Director of the Office of Management and Budget. In fact, I have great concerns about this nominee's views on a whole range of issues.

Because those views are far outside the mainstream of this country, I intend to vote against his confirmation. First and foremost, I am concerned about MICK MULVANEY's repeated votes against raising the debt ceiling and his reckless willingness to shut down the government in order to advance his extreme views.

It is Representative MULVANEY's longstanding position that failure to raise the debt ceiling would not precipitate a crisis. He said: "I have yet to meet someone who can articulate the negative consequences." Well, let me articulate the consequences in very simple terms. If we refuse to raise the debt ceiling, we would default on the

national debt, destroy the credit worthiness of the U.S. Government, and trigger a global financial crisis.

As the Governor of New Hampshire, I worked very hard with our State treasurer and with the legislature, through some very challenging fiscal times, to maintain New Hampshire's State bond rating. We did that because we knew that lowering the State's bond rating would mean an increase in costs for businesses trying to borrow money, for the government trying to borrow money, for taxpayers because they would have to pay those increased costs, and it would have a ripple effect across the economy that would have a real impact on the people of New Hampshire.

Representative MULVANEY does not seem to appreciate what would happen if the Federal Government defaulted on our debt. He has argued that the Treasury Secretary could avoid such a crisis by prioritizing interest payments; in other words, paying foreign holders of U.S. debt but not Social Security beneficiaries or the men and women of our Armed Forces, but there is no legal authority to do this. It is impractical, and recent Treasury Secretaries have denounced the idea. We got a foretaste of the consequences of default in 2011, when Representative MULVANEY and others blocked legislation to raise the debt ceiling, a crisis that took nearly 3 months to resolve.

That manufactured crisis shook financial markets, caused a spike in interest rates on U.S. securities, and it led Standard and Poor's to take away America's AAA credit rating, and it cost \$18.9 billion. Who does MICK MULVANEY think paid those \$18.9 billion? It was the people of this country. Representative MULVANEY has repeatedly threatened to shut down the Federal Government.

He helped lead the charge in shutting down the government in October of 2013 in a failed and misguided attempt to repeal the Affordable Care Act. In 2015, he threatened to shut down the government again in order to defund Planned Parenthood. Both of those programs are critically important to the people of New Hampshire. Nearly 1 out of 10 Granite Staters have health insurance thanks to the Affordable Care Act. Planned Parenthood provides accessible, affordable healthcare to women all across the State of New Hampshire, women who, in most cases, could not get their healthcare any other way.

As Senator DURBIN pointed out earlier, 97 percent of the services provided by Planned Parenthood are services that have nothing to do with abortion; they have to do with access to mammograms, to cancer screenings, to STD testing, the whole range of healthcare services that women need.

Unfortunately, the 16-day shutdown in 2013 created havoc across the economy, leading to the loss of an estimated 120,000 jobs. Millions of small businesses faced significant disruptions, many employees were laid off,

and some businesses could not make payroll. But Representative MULVANEY is unrepentant. He insists that the shutdown was worth it. Well, tell that to some of the businesses in New Hampshire that took a huge hit. His brand of government by temper tantrum is reckless, it is irresponsible, and it should not be rewarded with a nomination to be the chief budget officer for the country.

Representative MULVANEY's disdain for true fiscal conservatism and his unbalanced budget priorities should also give us pause. He supports budgets that would provide massive tax cuts for corporations, for those at the top, and he would pair those with deep budget cuts for the middle class and the most vulnerable people in our society, including seniors and people with disabilities.

Representative MULVANEY advocates for radical cuts to Social Security and to Medicare and Medicaid. He has promised to end Medicare as we know it, privatizing it and converting it to a voucher program that shifts costs to seniors.

He advocates raising the retirement age to 70 for Social Security and 67 for Medicare. Imagine telling construction workers and others who perform heavy labor that they have to work until age 70 before they can retire with the security of a Social Security check.

He also advocates shifting costs to States by block-granting Medicaid. Essentially what block grants do is give the money to States and allow them to administer those dollars. As a former Governor, I think States can administer those dollars, but when you want to cut as much as \$1 trillion from healthcare services, which is what MICK MULVANEY wants to do, then you can administer them as well as possible, but you are still not going to be able to make up to the seniors and to disabled Americans and others in nursing homes for the cuts that are going to come when you block-grant those dollars to States.

Unfortunately, that is not the end of his extreme budget ideas. He advocates taking a meat-ax to the whole range of programs that bolster the middle class, everything from cancer research, to Pell grants, to healthcare.

Representative MULVANEY has even questioned the appropriateness of Federal funding for scientific research. In a Facebook post questioning the scientific consensus linking the Zika virus to microcephaly, he wrote: "What might be the best question: Do we really need government funded research at all?" Think about that.

Senator DURBIN was very eloquent in talking about the difference that research has made in ending polio and addressing so many other diseases, such as HIV, that have affected Americans and people across the world. Well, the President's choice—MICK MULVANEY—to draft his annual budget, to be the head of his budget office, openly doubts that the government should be involved in addressing public

health threats, such as Zika. So how deeply does he plan to cut funding for the Centers for Disease Control, for the National Institutes of Health, for our National Laboratories, and for federally funded extramural research? We don't know the answer to that, but we can assume from his statements that it is going to be significant.

Federally funded R&D is critical not only to addressing threats to public health but also to developing new technologies that enhance our national security and protect the environment. These technologies are essential to growing our economy and maintaining America's global leadership in technology and biomedical sciences.

In New Hampshire, the most dynamic sector of our economy is high-tech manufacturing and innovation. For our economy to grow, we need to stay ahead of global competition. But that doesn't happen on its own; it requires sustained investment in basic research—often research that the private sector considers too risky to do on its own.

As ranking member of the Senate Small Business Committee, I have seen this vividly demonstrated by the very successful Small Business Innovation Research Program, or SBIR. SBIR works by harnessing the creativity and ingenuity of America's small businesses to meet the R&D missions of our Federal agencies, while also supporting the growth of small, high-tech companies that create good jobs in local communities across this country.

One recent study found that every dollar awarded by the Air Force to SBIR firms generated \$12 in economic growth. That growth happens because small businesses develop technologies and then commercialize those technologies, creating good jobs in each of our States.

Many of these technologies are developed for our Armed Forces to better protect the homeland. A great example of that, which I have seen firsthand, is a company based in Hanover, NH, called Creare. Creare is working with the Navy to develop an innovative clothes dryer that dramatically reduces the risk of fires on submarines, and that is just one example of why the SBIR Program is the envy of the world.

I want to quote Dr. Charles Wessner, who led the National Academy of Sciences study of the SBIR Program. In describing that program, he said: "The rest of the world thinks this is the greatest thing since sliced bread."

Well, make no mistake, this successful program is in serious jeopardy if Representative MULVANEY puts Federal R&D investments on the chopping block.

It is truly shocking that the President has nominated a budget director who questions the value of Federal funding for R&D. We need to invest in science. We need to invest in our small businesses, which create two out of every three jobs in this economy.

The OMB Director is one of the most senior economic advisers to the Presi-

dent of the United States, with enormous influence on policy matters.

Representative MULVANEY has been a zealous advocate for radical cuts to Social Security, to Medicaid, to the whole range of programs that support the middle class in this country. In addition, his willful failure to pay required Federal taxes has raised serious concerns about his integrity, which we all know is essential for every Cabinet officer.

After careful study of his record, I urge my colleagues on both sides of the aisle to come together to reject this nominee. Putting MICK MULVANEY in charge of OMB is not just letting the fox guard the hen house; it is giving him a gun to kill the chickens, a pot to boil those chickens in, and a knife to eviscerate them when they are done.

Let's give President Trump the opportunity to put forward a qualified candidate with mainstream views to protect the middle class and to honor this Nation's financial obligations.

Mr. President, I yield the floor.

The PRESIDING OFFICER (Mr. SULIVAN). The Senator from Wisconsin.

Mr. JOHNSON. Mr. President, I rise today to support the nomination of Congressman MICK MULVANEY and ask my colleagues to vote to confirm him as the next Director of the Office of Management and Budget.

It may not surprise folks that I have a markedly different viewpoint than the Senator from New Hampshire. Congressman MULVANEY wants to save Social Security and Medicare. Congressman MULVANEY wants to prevent, stop the mortgaging of our children's future, the bankrupting of America.

One thing on which I do agree with the good Senator from New Hampshire is that we need to concentrate on economic growth. It is the primary component of the solution. But this Nation faces many, many challenges. From the standpoint of foreign policy, take a look at what is happening around the world, the turmoil in so much of the world. We are in a generational struggle against Islamic terror, against ISIS, al-Qaida. Iran—that nuclear agreement was horrible. It modified the behavior for the worse. We have just witnessed North Korea test-fire another missile. Combined with their nuclear capability at some point in time—probably not in the too distant future—they will threaten America. China has been emboldened. Russia has become more aggressive. Why? Because in so many instances, these nations perceive America as weaker than we once were, lacking the strength and resolve to provide the leadership, project our values around the world.

With all these threats that America faces, at the same time our military is being hollowed out. We won't have the resources militarily to fight back if they strike first.

Domestically, we also face many perils, many challenges. ObamaCare didn't work. The Patient Protection and Affordable Care Act did not protect the

patients. It is not affordable. In my State, Wisconsin, premiums on the individual market have doubled and tripled. A young mother working a part-time job so she could stay home with her children had to quit that job to take full-time work to pay her \$8,000 per year increase in premiums. Wages have stagnated for years. Our infrastructure is old and in many cases, crumbling. Our borders are porous. We are not winning the War on Drugs because of porous borders in many respects. Unfortunately, the War on Poverty has also not been won. In many cases, it has created perverse incentives that have trapped generations in a cycle of poverty and dependency and despair. It has resulted in the national debt rapidly approaching \$20 trillion. Again, that is that mortgaging our children's future that Congressman MULVANEY wants to prevent.

As the chart nearby shows, we are on a completely unsustainable path that Congressman MULVANEY also understands must be stopped. If you take a look at this chart, according to the Congressional Budget Office, over the next 30 years, our projected deficit will total \$103 trillion. That would be put on top of that \$20 trillion in debt. It will be \$10 trillion over the next 10 years, \$28 trillion in the second decade, \$66 trillion in the third decade. That is completely unsustainable.

By the way, the components of that \$103 trillion deficit—\$14 trillion in Social Security. In other words, Social Security will pay out \$14 trillion more in benefits than it takes in from the payroll tax over the next 30 years; Medicare, \$34 trillion. The remainder of that \$103 trillion is interest on the debt. If we want to avoid paying creditors more than \$50 trillion in interest on our debt over the next 30 years, we need to address Social Security and Medicare. Congressman MULVANEY wants to do that. He wants to save Social Security and Medicare—not demagogue it; save it.

As the Senator from New Hampshire was pointing out, we need economic growth. That is the No. 1 component of the solution. I don't care what problem I just mentioned above, economic growth is the primary component of the solution.

What is hampering our economy from growing? The fact is, since the Great Depression, our economy has averaged 3.2 percent annual real growth. Since the great recession, we have only been growing about 2 percent. I would argue that there are a number of factors causing that tepid growth: overregulation, an uncompetitive tax system. We are not fully utilizing our energy resources. The Presiding Officer certainly understands that from his State. We are not utilizing our abundant energy resources. And of course there is this: our unsustainable fiscal path, our \$20 trillion in debt.

I oftentimes make the analogy between our national debt and a family in debt over their head. It is just a nation-state; it is just many, many, many

orders of magnitude larger. But the fact is, if you are a family in debt over your head, how can you grow your personal economy? All your disposable income is spent on the basics and servicing the debt. The same thing is true of a nation-state. Again, our enemies perceive that weakness caused by our indebtedness.

So when you take a look at the role of the Director of the Office of Management and Budget, what we need to do to grow our economy comes under his jurisdiction basically. He has to address this deficit. He has to put forward a budget that is sustainable. MICK MULVANEY is dedicated to doing that.

Then, of course, the other thing the Office of Management and Budget is really designed to combat is overregulation. They are all about taking a look at cost-benefit and making sure the regulations that are implemented by this Federal Government are reasonable from a cost-benefit relationship. That has not been the case recently.

Just a couple of examples of how economic growth really is going to help solve this problem. If you go from 2 to 3 percent annual growth, that is \$14 trillion in added economic benefit in just over a decade. If you go from 2 to 4 percent, that is \$29 trillion. And even with the meager economic growth we have had since 2009, revenue to the Federal Government has increased by more than \$1.1 trillion per year with meager economic growth. Just think of what would happen if we could reduce the regulatory burden, have a competitive tax system, and put our Federal Government on a sustainable fiscal path. Revenue would be flowing to the Federal Government, we could stop hollowing out our military, and we could start addressing these threats.

As to the regulatory burden, when we held hearings on this in my committee, the numbers showed that regulatory burden at \$2 trillion per year. Just put that into perspective because I know we are getting immune to these massive numbers: \$2 trillion is larger than all but 10 economies in the entire world. That is a self-imposed, self-inflicted wound on our economy. If you take that \$2 trillion and divide it by the number of households in America, it is \$14,800 per household. No American writes a check to the Federal Government to pay their share of the regulatory burden; instead, they realize that burden in reduced opportunities.

Why are wages stagnated? That is a good part of it—increased prices, and of course, again, those lower wages. It is a massive problem. One Wisconsin paper manufacturer I was talking to—and by the way, I can't tell you who because he fears retaliation by the government, which is a different subject—did a cost calculation of just four recently issued regulations and came up with a total cost of \$12,000 per year per employee. There you go. That is money that could have been available for increasing wages or for investing in busi-

ness to create better opportunities and better paying jobs. The regulatory burden is massive.

I had the chancellor of the University of Wisconsin-Madison come into my office during the last 2 years with the primary complaint—the primary ask—being to reduce that regulatory burden. Last year, she came in armed with a study commissioned by research universities that said that 42 percent of researcher time on Federal grants was spent complying with Federal regulations. Think of the opportunity cost of that overregulation. Those Federal grants are meant to pay for studies and doing research on curing diseases, not filling out Federal paperwork. So again, the Director of the Office of Management and Budget will take a look at those regulations, particularly now under this President, who has issued an Executive order to make sure that for every one regulation issued by a new agency, they have to remove two. That is a very good start. I would have gone with one-in, ten-out, but I will settle for one-in, two-out. I will certainly be supportive of an Office of Management and Budget that understands the incredible burden of overregulation on our economy.

During our committee markup—I heard earlier the Senator from Arkansas, who knows Congressman MULVANEY, served with him in the House, and understands how dedicated and serious Congressman MULVANEY is to stopping this mortgage of our children's future. Senator LANKFORD also had the opportunity to serve 4 years in the House with Representative MULVANEY. This is what Senator LANKFORD had to say about his friend and colleague at the nomination hearing:

You were a serious student. You looked hard at difficult issues. You understood that there were difficult decisions that needed to be made and made proposals to do that.

In testimony before our committee, Congressman MULVANEY told my committee:

When President-elect Trump announced my nomination, he noted that our nation was nearly \$20 trillion in debt and stated that I have the skills and convictions to responsibly manage our nation's finances. I believe that is why he nominated me for this position.

He went on to state:

For the first time in America's history, the next generation could be less prosperous than the generation that preceded it.

That is a very sad possibility. We need to prevent that.

He went on to say:

To me and to the people in this room, that is simply unacceptable. We CAN turn this economy, and this country around . . . but it will take tough decisions today in order to avoid impossible ones tomorrow.

Congressman MULVANEY went on:

I believe, as a matter of principle, that the debt is a problem that must be addressed sooner, rather than later. I also know that fundamental changes are needed in the way Washington spends and taxes if we truly want a healthy economy.

Again, he fully understands the connection between our unsustainable fiscal path, our deficit, our debt, and economic growth. He said we "must include changing our government's long-term fiscal path—which is unsustainable."

Finally, he said:

I recognize that good public service—whether in a state legislature, Congress, or OMB—takes both courage and wisdom. The courage to lead, and the wisdom to listen. I have learned that I do not have a monopoly on good ideas. Facts—and the cogent arguments of others—matter. I will be loyal to the facts and to the American people whom I serve.

My commitment to you today is to take a fact-based approach to get our financial house in order.

This is exactly the type of person—Congressman MICK MULVANEY—somebody who is dedicated to solving these problems, who has the courage and the wisdom to stop mortgaging our children's future, to put America's budget on a sustainable fiscal path, to grow our economy, to make sure that future generations inherit a stronger, more prosperous America.

I am proud to support and I urge all my colleagues to support and vote for the confirmation of Congressman MICK MULVANEY to be the next Director of the Office of Management and Budget.

Mr. President, I yield the floor.

The PRESIDING OFFICER. The Senator from Delaware.

Mr. CARPER. Thank you, Mr. President. I rise this evening to speak on the nomination of Congressman MICK MULVANEY to be the Director of the Office of Management and Budget. I am going to start by talking in a minute about some of the critical roles that the Office of Management and Budget plays.

Before I do that, I want to go back for a moment to some of the comments of my friend who just preceded me on the floor. Going back 8 years ago, I remember that in the last 6 months of 2008, we lost 2.5 million jobs in this country—2.5 million jobs in 6 months. In the first 6 months of 2009, we lost 2.5 million more new jobs. That is 5 million jobs in 12 months.

Since the beginning of 2010, we have added 16 million jobs in this country. The unemployment rate in this country jumped as high as 10 percent by the end of 2009, and by the beginning of this year the unemployment rate was cut in half. During the first fiscal year of this last administration, the Obama-Biden administration, the deficit, the budget they inherited for that fiscal year ballooned to \$1.4 trillion. I am an old State treasurer, Congressman, Governor, and now Senator. That's a lot of money. We have had in terms of GDP probably higher deficits than that during World War II, but that is a lot of money.

During the last administration, the debt, deficit as we knew it, dropped by about two-thirds, maybe a little more than two-thirds. Do we have a balanced budget coming into this year? No. Is it better than \$1.4 trillion? It sure is.

The unemployment rate was cut by half, the annual deficit has been cut by two-thirds, and instead of losing 5 million jobs as we did in 2008 and 2009, we added 16 million jobs. Could we do better than that? We have. Have we ever had a longer running economic expansion in the history of our country than the last 7 years? I am told we have not. Can we do better? Yes.

Hopefully, in our spending plans and in the regulatory work that we do, we will adopt policies that provide the kind of environment that leads to job creation and job preservation. That is what we do. We don't create jobs here. As my friend who is presiding knows, we help create a nurturing environment for job creation. One of the things we need for that is common-sense regulation.

If you look at the role of the OMB Director, one of those listed on this chart, No. 2, is regulatory process. The regulatory process is the way regulations are created in this Congress, and as the Presiding Officer and others know, it is dictated by legislation called the Administrative Procedure Act.

If the Presiding Officer were an agency that was considering promulgating a rule or regulation, the agency would basically say to the rest of the world: We are thinking of promulgating a regulation on subject x. It is really a heads-up that they are thinking about doing this. It doesn't mean they are going to, but they are thinking about it, so those who might be affected by that regulation, regulation x, would have a chance to say: Hmm, something might be coming our way, and we have an interest in it—or we don't. This gives them a chance to go to the agency and say: We hear you are interested in promulgating a regulation on this particular subject. Let's talk about it. That is why the agency gives a heads-up, so that those who might be affected by it have the opportunity to talk to the agency, come to their elected officials, and share their opinions.

The agency can accept the comments they get or reject them. The Members of Congress can accept or reject them. We can actually arrange for our constituents who might have an interest in a proposed or possible regulation to arrange for meetings to make sure the agency that is thinking about promulgating a new rule or different rule or regulation has an opportunity to meet with those who would be affected positively or negatively.

The agency, armed with that information—the input they receive from filing a notice of rulemaking—if they decide to go forward, they will eventually propose a draft rule. This is not a final rule or regulation, but a draft. They promulgate that draft regulation under the Administrative Procedure Act, and those who are interested in or affected positively or negatively by the draft regulation again have the opportunity to go back and talk to the folks who promulgated that rule or regula-

tion, stating what it is they like or don't like, proposing changes. They look us up—the Representatives, Senators—and say: Here are our concerns. We think this should be strengthened or weakened or taken out or added.

There is a period of time—a comment period—for the draft regulations. Sometimes those who can be affected by the regulations will come to us and say: We don't think we have enough time to fully understand what the effects of this draft regulation would be, and we would like to have more time to comment. Then what we do as elected officials is reach out to the agency and say: We don't have enough time. We are hearing from too many of our constituents that there is not enough time. How about another week or month or some reasonable period of time? Sometimes we get what we ask for, and sometimes we don't. Sometimes we get half of what we ask for, but that is the way it works.

At the end of the day, the agency may decide that they have enough of a bad response—bad vibrations from those who would be affected, as opposed to picking up good vibrations—and the agency may pull the reg entirely and say: We will do this another time but not now. But they might go ahead and change the drafting to prepare to offer the final regulation.

When the agency is ready to report out the drafted regulation, that is not the end of it because that is where OMB comes into play. There is an agency within OMB called OIRA, which refers to an oversight role that the OMB plays. Essentially, as we used to say in the Navy, if a message or something were sent from one level of command to another to another, we actually say we "chopped" it through different levels of command. My colleague who has better experience in the military, as I recall, may have had a similar kind of experience. But the draft regulation that is promulgated has to be chopped through OMB. It has to be chopped through OMB. They have the final say, and they can kick it back to the agency or not.

Changes may or may not be made, but eventually the final reg is published in the Federal Register. There is a period of time that runs, and eventually if folks really don't like it enough they can basically file a suit and go to court to try to block the regulation. We see that happen from time to time. Faced with a suit, the agency might want to pull it back and make some further modifications. We can join in those amicus briefs or not. If all else fails, Harry Reid, who used to be the majority leader, a Democrat, wrote a law a number of years ago, the Congressional Review Act, which allows the Congress, years from now, to take another look and see if it is something—it is not that old, it had regs come out in the last couple of months—and ask: Is this a good idea or not? And if the majority of the House and Senate, with the consent of the

President, say: No, we don't think this regulation is a good idea, it can basically be taken off the field and put on the shelf.

That is the way the process works. Some people don't think that is a very good process. I think it is pretty good. I hope that if MICK MULVANEY is confirmed to this job, this regulatory process is one that will be put to good use.

One of the things Cass Sunstein did, at the direction of President Obama, was begin a look-back policy, saying we are going to look not just forward for new regulations, we are going to look back at the old ones we have and see which ones have maybe outlived their utilization and should be eliminated or modified. I have stopped counting how much money has been saved during the look-back process over the last several years, but it is in the billions of dollars—maybe even in the tens of billions of dollars by now. I hope the next OMB Director will continue it.

We have been joined here by my colleague from Michigan. I would just ask him if he is pressed for time. I will go maybe about another 10 minutes, and then it is all yours.

Another big job of the OMB Director, not surprisingly, is to help the President prepare in submitting a budget. I want to take just a minute and maybe use another chart to talk about how we spend our money. As my colleagues know, the spending is a pie chart kind of like this, and it is divided into maybe four major areas. One of those is—some people call it mandatory spending. I call it entitlement spending: Medicare, Medicaid, Social Security, maybe veterans' benefits. It is spending the people are entitled to by virtue of being a certain age, being disabled, maybe having served in our Nation's military, maybe being disabled in the course of military service, maybe they earned a GI bill. Those are the kinds of things that are being considered as entitlements or mandatory spending. As a percentage of the budget, if we look at the green colors here, it adds up to a little more than half the budget.

Another maybe 5 to 10 percent of the budget is this sort of beige color or gray—this area right here. It is about 5 to 10 percent of the budget. It is debt service, principal interest on our Nation's debt. Fortunately, our interest rates are low. If they ever go up, "Katy, bar the door." Then the principal on the debt service will go up a whole lot. We have been blessed with low interest rates. It will not be that way forever.

So entitlement spending, a little over 50 percent; debt service, principal interest on the debt, 5, 10 percent.

The rest is called discretionary spending. It is defense spending so it is about 40 percent discretionary spending. That is the spending that is done by our Appropriations Committee, about a dozen Appropriations subcommittees, including Agriculture,

Armed Services, Housing, Transportation, you name it.

Over half of the amount of spending that is called discretionary spending, right here in the blue, more than half of that is defense spending and less than half of that is called nondefense discretionary spending.

As it turns out, we could eliminate, I am told, every bit of our nondefense discretionary spending, and we would still have a budget deficit. That would be everything from agriculture to the environment, to transportation, law enforcement, prisons, you name it; the whole kit and caboodle, everything other than defense. I don't think we want to get rid of all that. We might want to find more efficient ways to spend that money. God knows we can find more efficient ways in spending defense money.

One of the ways we can do that is to take a page from something that happened today in the Committee on Homeland Security and Governmental Affairs, and with our governmental affairs hat on, we had the leader of the Government Accountability Office with us. We also had a couple of inspectors general, and we had the head of the Census Bureau. They came to talk with us and present to us something called the GAO—Government Accountability Office—high-risk list. What is a high-risk list? It is a list of programs that are in danger of wasting a lot of money. It could include roughly \$400 billion a year in revenues that we are leaving on the table; owed but not collecting. It could be \$300 billion a year in major weapons systems cost overruns. It could be \$110 billion, \$115 billion a year on something called improper payments, moneys that are paid wrongly, mistakenly—not fraud but just mistaken payments—and it can include a lot of other things. It could be properties that the Federal Government needs to get rid of, and we have done good work on that. Senator PORTMAN and I worked on that, as did Senator Coburn when he was here, and we worked a lot on property reforms. With the help of Senator JOHNSON last Congress, I think we made pretty good progress.

There are a lot of ways we waste money. What we do in the Committee on Homeland Security and Governmental Affairs, with our governmental affairs hat on, is we use the GAO high-risk list as a to-do list to be able to save money. If you have GAO, in concert with the Office of Management and Budget, working together with the inspectors general in every major Federal agency, working with the oversight committees in the Senate, Homeland Security and Governmental Affairs, and with our counterpart oversight committee in the House—if we all are working together, going in the same direction, we can actually figure out how to save a lot of money in defense spending and nondefense. With all the overpayments that occur in Medicare and Medicaid—it is almost \$100

billion just between those two—we could actually make some real progress. Our budget deficit is still too large.

Not that many years ago, when Bill Clinton was President, the last 4 years of that administration, we had 4 years of balanced budgets. We had not had a balanced budget since 1968. Over the last 4 years of the Clinton administration, we had four balanced budgets in a row.

How did we do it? One, we had a good economy, as you all recall. There were more jobs created in those 8 years than any 8 years in the history of the country. I was Governor then, and there were more jobs created in those 8 years in Delaware than any year in the history of our State. I like to say I didn't create one of them, but we tried to create a nurturing environment for job creation and job preservation. One of those ways—one of the elements that is important—is certainty and predictability.

It has been mentioned earlier today that the concern that a number of people have with Congressman MULVANEY as OMB Director is he allegedly has said government shutdowns are not that concerning. I don't know his exact words. One of the things we were reminded of today by GAO is, businesses need predictability, they need certainty, but the other thing they need—what the Federal Government needs and its employees need are some predictability and certainty as well. Stop-and-go government is painful to businesses, but it is especially painful and wasteful for the Federal Government. Continuing resolutions, government shutdowns—our Federal employees spend a lot of time just preparing for shutdowns. That is wasteful, it is demoralizing, and we can't do that.

I think that is—I will stop there. I see the majority leader is here, and I want to be respectful to him. There are other concerns I have that I will submit, but I hope my colleagues will keep these thoughts and these concerns in mind when we consider the nomination of Mr. MULVANEY to head up OMB.

I would say to my friend the majority leader, I appreciate the time we had together in your office earlier this week. I would just ask him to consider one more time, if we had the opportunity for a judge in Oklahoma to make a decision tomorrow on the access to the emails we discussed, I think we could all vote with a clear conscience a week from Monday on the nomination of the Administrator for the EPA. I would encourage the majority leader to do that.

Thank you very much.

The PRESIDING OFFICER. The majority leader.

Mr. McCONNELL. Mr. President, I thank my friend from Delaware for his suggestion and giving me a moment here—I am not sure whether he is finished—but to just ask unanimous consent on a matter.

# ORDER OF PROCEDURE

Mr. President, I ask unanimous consent that following leader remarks on Thursday, February 16, there be 10 minutes of debate, equally divided, prior to the confirmation vote on Executive Calendar No. 16, MICK MULVANEY to be Director of the Office of Management and Budget, followed by up to 10 minutes of debate, equally divided, prior to the cloture vote on Executive Calendar No. 15, the nomination of Scott Pruitt to be Administrator of the Environmental Protection Agency, and if cloture is invoked, time be counted as if invoked at 7 a.m. that day.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

Mr. McCONNELL. So for the information of all Senators, under the regular order, the Senate is scheduled to vote on the Pruitt nomination on Friday afternoon. All Members should plan to stay here Friday to complete consideration of the Pruitt nomination.

I yield the floor.

The PRESIDING OFFICER. The Senator from Michigan.

Mr. PETERS. Mr. President, I rise in opposition to the nomination of Representative MULVANEY to be the Director of the Office of Management and Budget because I have deep concerns about his record.

I believe his far-right views are out of the mainstream and wrong for our Nation and wrong for the people of Michigan.

In part, my vote against his nomination is due to his long-held public belief that we should balance the Federal budget on the backs of seniors and retirees who have worked their entire lives. Representative MULVANEY's policies would mean raising the retirement age, making deep cuts in Medicare, and driving up costs for seniors who already struggle to afford the care they need. These are policy proposals that Mr. MULVANEY would bring to the highest levels of government, if confirmed, and I fundamentally disagree with his approach to budget policy.

While I disagreed with a number of Representative MULVANEY's positions when we served together in the U.S. House of Representatives, I entered his confirmation hearing with an open mind. I thought that in preparing for a role with broad jurisdiction over the Federal Government, he might have developed more nuanced views on some of these difficult issues. However, after speaking with Representative MULVANEY during our recent hearing and reviewing his responses to my colleagues, it is clear he will bring the same extreme views to the administration that he brought to the Congress.

On Social Security, which is absolutely critical to seniors and families across the State of Michigan, Representative MULVANEY has repeatedly called for congressional action to raise the retirement age and reduce benefits. He has publicly called Social Security