

they view the laws that apply to them. That one shot is the confirmation process. So when a nominee refused to take positions, it short-circuits the process. This is not acceptable. We cannot just confirm someone to be the CIA's general counsel without knowing what she will do in that position. That would be an abdication of our duty.

I want to close by saying that, at this extraordinary time in American history, a time when our country—and if you sit on the Intelligence Committee, as I have for a number of years, you go into the Intelligence Committee room, and it is all behind closed doors, and you often walk out of there very concerned about the well-being of our people, given some of the grave national security threats we hear about once or twice a week.

The point is that our choice is not between security and liberty; it is between smart policies and ones that are not so smart. For example, on this floor, when the leadership of the committee was interested in weakening strong encryption, which is what keeps our people safe—we have our whole lives wrapped up in a smartphone, and smart encryption ensures that terrorists and hackers can't get at that information. It ensures that pedophiles can't get access to the location tracker and pick up where your child might be. We all know how much our parents care about the well-being of kids.

People are saying: Let's just build backdoors into our products, and I said I am going to fight that. I will fight it with everything I have whenever it is proposed because it is bad for security, bad for liberty, bad for our companies that are trying to continue to offer high-skill, high-wage jobs because our competitors won't do it, and so far we have been able to hold it off.

As we seek in the days ahead to come up with smart policies that protect security and liberty, we have to get answers from those in the government who are going to have these key positions. Given the fact that the CIA Director, Mike Pompeo, made it clear in his hearing that he was going to rely on the person chosen by the Senate as his general counsel, I felt it was very important that we get some answers from the person we will be voting on shortly.

I regret to say to the Senate that this morning we are largely in the dark with respect to Ms. Elwood's views on the key questions I have outlined today.

I yield the floor.

Mr. VAN HOLLEN. Madam President, President Trump has routinely attacked basic American freedoms—of the press, of peaceful assembly, of religion, of speech. When he lost the popular vote, President-elect Trump assailed the integrity of our electoral process and falsely claimed that millions of people voted illegally. When the press exposed those falsehoods, Mr. Trump dismissed credible reporting as “fake news.” When the courts ruled

that his travel ban was unlawful, President Trump accused judges of abetting terrorists.

These actions have consequences beyond our own borders and embolden dictators around the world. President Trump displays a worldview that favors the military over diplomacy and transactional relationships over strategic alliances. President Trump's uncritical embrace of autocrats like Russian President Putin, Egyptian President Sisi, Turkish President Erdogan, and Philippine President Duterte is a repudiation of every reformer and activist seeking freedom from tyranny. It is a repudiation of America's values and founding principles.

President Trump's approach to the world is shortsighted and self-defeating. The greatest threats to U.S. national security come from countries that are corrupt, poorly governed, and fraught with poverty and disease. These countries require sustained engagement and assistance to prevent the kind of threats that could require American soldiers to go into war. These countries require American leadership and the American example to help address the root causes of conflict and to give a voice to the aspirations of their people.

That is why President Trump's proposed 32 percent cut to the budget of the State Department, his failure to put forward nominees for leadership positions, and his disrespect for the career employees who serve our country are so dangerous. By undermining American influence abroad, President Trump erodes American strength.

While John Sullivan has an extensive career in public service, I am concerned that he lacks experience at the State Department. An understanding of the institution is, in many ways, as important as an understanding of our complex diplomatic terrain. Despite these concerns, I was encouraged by the statements and commitments he made at his confirmation hearing.

In his testimony before the Senate Foreign Relations Committee, Mr. Sullivan committed to promoting American values abroad, saying: “Our greatest asset is our commitment to the fundamental values expressed at the founding of our nation; the rights to life, liberty, and the pursuit of happiness. These basic human rights are the bedrock of our republic and at the heart of American leadership in the world.”

He underscored that our alliances and partnerships “have been the cornerstone of our national security in the post-war era.” He commended the foreign service officers, civil servants, and locally employed staff who faithfully serve our country every day.

These statements are a rejection of the worldview proposed by President Trump. I hope that Mr. Sullivan honors these statements in office. For this reason, I support his nomination for Deputy Secretary of State.

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

The PRESIDING OFFICER (Mr. PERDUE). The clerk will call the roll.

The senior assistant legislative clerk proceeded to call the roll.

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

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

PUERTO RICO'S FISCAL CRISIS

Mr. GRASSLEY. Mr. President, I rise today to discuss the significance of the unprecedented events now occurring in Puerto Rico.

According to the May 16 editorial in the Wall Street Journal, “The legal brawl over Puerto Rico's bankruptcy begins this week, and it will be long and ugly.”

As we have seen in Greece and Detroit, what is happening in Puerto Rico should be a wake-up call for fiscally distressed States—meaning our 50 States, our cities, and our territories—to get their own houses in order. It is the canary in the mine that ought to be available to everybody. At the same time, it should be a cautionary tale for those who seek to extend similar bankruptcy authority to our own 50 States.

In 2015, after years of fiscal mismanagement and borrowing to finance their operations, Puerto Rico declared that its debt was unpayable and had to be restructured; however, because Puerto Rico lacked access to chapter 9 of the Bankruptcy Code, restructuring its complex debt outside of the court presented a challenge.

I held a hearing in the Judiciary Committee to examine this issue in December of 2015. We learned at that hearing that while bankruptcy is an effective tool to restructure debt, it merely treats the symptom and it doesn't solve the disease. I told you so, in that vein. I shared my views and the views of many others that unless Puerto Rico addressed its fiscal mismanagement woes, extending bankruptcy authority alone couldn't fix the problem. I told you so that, instead, it would merely kick the can down the road and harm thousands of retirees in Iowa and elsewhere who would bear the costs of Puerto Rico's irresponsible fiscal behavior. The Obama administration, though, pressed Congress to act and to provide Puerto Rico with an orderly bankruptcy-like process to restructure its debt.

According to the testimony of one Treasury official, “Without a comprehensive restructuring framework, Puerto Rico will continue to default on its debt, and litigation will intensify. . . . As the cascading defaults and litigation unfold, there is real risk of another lost decade, this one more damaging than the last.” So now, even with a comprehensive restructuring framework, there is still a real risk of another lost decade.

Ultimately, this debt restructuring framework was coupled with an independent oversight board and adopted as the Puerto Rico Oversight, Management, and Economic Stability Act, referred to as PROMESA. This approach,

we were told, would tackle Puerto Rico's debt crisis in an orderly way and would help to remedy the years of fiscal mismanagement. Nevertheless, I remained concerned that PROMESA and its bankruptcy-like provisions would invite years of litigation and uncertainty due to the lack of existing court precedent.

So it should be no surprise that a recent Bloomberg article titled "Puerto Rico's Bankruptcy Fight is About to Plunge Into the Unknown" described the bankruptcy process as "a circular firing" squad with "no established rule book to shape what comes next." The article reports that one market analyst "foresees a chaotic brew of lawsuits" because "nobody has any idea what is going to happen."

According to one news report, this is just the beginning, as PROMESA's bankruptcy provisions are "more likely to face years of appeal than a typical case."

Despite assurances otherwise, what happens next in the months and years to follow may be far-reaching and likely will impact us all. In particular, prior to the enactment of PROMESA, Puerto Rico, like the States, couldn't declare bankruptcy. I told you this last year, and it is as I predicted last year—granting Puerto Rico the authority to restructure all of its debts, including its State-like constitutional obligations, would be viewed as precedent for giving States similar authority.

I am not really surprised to see this is happening right now.

Getting back to the fact that I told the Senate a year ago. This past September, William Isaac, the former head of the FDIC, called on Congress to pass a law "giv[ing] Illinois the option of utilizing chapter 9, which is akin to what Congress just did for the Commonwealth of Puerto Rico."

The New York Times reported on May 3 that "bankruptcy lawyers and public finance experts are watching Puerto Rico's case closely, to see if it shows a path that financially distressed states like Illinois might also one day take."

The Chicago Tribune's editorial board recently wrote that investors are growing nervous about the talk of States seeking a bankruptcy system after the fashion of Puerto Rico, calling Puerto Rico "the frightening ghost of Illinois future."

The editorial wondered how much more difficult it would be for States to borrow money if lenders knew the States could shirk their obligations in bankruptcy when that debt becomes due.

For those who weren't listening to me last year, those who dismissed concerns that PROMESA would set a troubling and dangerous precedent should take notice and make sure that a one-time piece of legislation does not create a new norm. I hold out hope that PROMESA might manage to provide some help for Puerto Rico.

Success, though, will ultimately require strong leadership from the Com-

monwealth's leaders, which, for years, that leadership has been very lacking.

There is a lesson to be learned. The fiscal crisis in Puerto Rico should motivate all 50 States, our cities, and territories to find the courage now to make tough choices, which are the foundation of responsible governance, rather than look to the Federal Government and bankruptcy as a way out. If they do not, the effect could be long-lasting, harming the vulnerable both within their populations and outside of their borders.

Obviously, what a lot of smart people told us a year ago to solve Puerto Rico's debt problems simply has not worked out.

So at a time when States, citizens, and markets are all watching, we must stress fiscal responsibility and pay attention to what is happening there in Puerto Rico. Otherwise, the uncertainty and chaos we were assured would not come to pass may be just over the horizon.

I yield the floor.

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

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

THE PRESIDENT'S BUDGET

Mr. CARDIN. Mr. President, on Tuesday President Trump sent his proposed fiscal year 2018 budget to Congress. A budget is supposed to reflect the President's priorities and the values our country holds dear. Unfortunately, President Trump's full budget shows how much disdain he has for supporting American families here at home, how little he values America's strong leadership around the world, and how much he misunderstands the essential role the Federal Government has in keeping our air and water clean, roads and bridges functioning, and the public safe from deadly diseases and other threats.

This President's budget shows how much he values corporate profits and polluters over children's health and demonstrates an irrational ignorance of basic principles that have worked for and against the American economy throughout the years. The budget wastes money on a border wall and deportation force that will not make America any safer and will tear apart families and communities.

President Trump fails to uphold the promise he made as a candidate to protect American workers and seniors, and he breaks new ground in the level of uncertainty he is willing to inject into our economy, our local communities, and relationships with our historical allies and economic partners. More than any other Presidential budget in recent memory, this budget must be considered dead on arrival.

President Trump's full budget for fiscal year 2018 is an exercise in extre-

mism. President Trump wants to ax \$610 billion from Medicaid—the program that lifts up America's veterans and the most vulnerable men, women, and children, capping the funding in order to finance tax cuts for big businesses and the wealthiest among us. The budget further slashes the social safety net by cutting the food stamp program and eliminating critical social services programs. It directly hurts children by cutting \$6 billion from the Children's Health Insurance Program. The President wants to choke off funding for essential scientific research at the National Institutes of Health and infectious disease detection and response at the Centers for Disease Control and Prevention, while also slashing funding for key global health initiatives that ensure economic stability.

Further demonstrating his misunderstanding of the ripple effect Federal investments can have, the President inexplicably wants to end the economic development assistance programs to rural and economically distressed communities. I was particularly disappointed that he would eliminate the Appalachia Regional Commission, which is very important to the people in the western part of my State as an economic tool that can bring badly needed jobs to Appalachia country.

He wants to put the American dream out of reach for would-be homeowners and seekers of safe and affordable housing with the elimination of HUD's rental assistance and homeowner partnership programs. The President calls for shifting more than \$143 billion in additional student loan payments to hard-working students and their families. And he recommends ending a vital program that helps first responders, law enforcement, teachers, nurses, librarians, public safety, and military have a chance to reduce the burden of their student loans so that they can continue to serve their communities. The President also continues the ill-conceived Republican assault on Federal workers and retirees with his proposal for wholesale slashing the programs and staff, such as the economic and environmentally important EPA and Chesapeake Bay Program, making it nearly impossible for many departments to carry out their basic mission.

I want to talk a few minutes about the foreign assistance budget. I have the privilege of being the ranking Democrat on the Senate Foreign Relations Committee. In terms of our Nation's foreign policy, if the budget is a reflection of values, then what the Trump administration values is an American retreat from the world that would make the United States less safe and secure. The numbers speak for themselves in the narrow-minded budget release we have received.

What is most perplexing about the administration's combined 31.7 percent gutting of international affairs spending—as Secretary Defense Mattis has said: If you don't fund the State Department Diplomacy Center, you had