Act, which passed the Senate by a vote of 96 to 0. This legislation was the first stand-alone legislation in Congress regarding North Korea to impose mandatory sanctions on the proliferation activities, human rights violations, and malicious cyber behavior. The following is according to a recent analysis from the Foundation for the Defense of Democracies:

North Korea sanctions have more than doubled since the NKSPEA [North Korea Sanctions and Policy Enhancement Act] came into effect on February 18, 2016. Prior to that date, North Korea ranked eighth, behind Ukraine/Russia, Iran, Iraq, the Balkans, Syria, Sudan, and Zimbabwe.

Even with the 130-percent sanctions increase after the sanctions bill passed last Congress, North Korea is today still only the fifth most sanctioned country by the United States.

So while Congress has clearly moved away from the Obama administration's inaction to at least some action, the Trump administration has the opportunity to use these authorities to build maximum leverage with not only Pyongyang but also with Beijing. I am encouraged by the actions the administration took in June to finally designate a Chinese financial institution. But this should just be the beginning.

The administration, with Congressional support, should now make clear to any entity doing business with North Korea that they will not be able to do business with the United States or have access to the U.S. financial system.

A report released in June by an independent organization known as C4ADS identified over 5,000 Chinese companies that are doing business with North Korea today. These Chinese companies are responsible for $7 billion in trade with North Korea. Moreover, the C4ADS report found that only 10 of these companies—10 of these 5,000 companies—controlled 30 percent of Chinese exports to North Korea in 2016. One of these 10 companies controlled nearly 10 percent of total imports from North Korea. Some of these companies were even found to have satellite offices in the United States.

Enough is enough.

According to recent disclosures, from 2009 to 2017, North Korea used Chinese banks to process at least $2.2 billion in transactions through the U.S. financial system. This should stop now. The United States should not be afraid of diplomatic confrontation with Beijing for simply enforcing existing U.S. law. In fact, it should be more afraid of Congress if it does not.

As for any prospect of engagement, we should continue to let Beijing know in no uncertain terms that the United States will not negotiate with Pyongyang at the expense of U.S. national security or that of our allies.

Instead of working with the United States and the international community to disarm the madman in Pyongyang, Beijing has called on the United States and South Korea to halt our military exercises in exchange for vague promises of North Korea suspending its missile and nuclear activities. That was a bad deal, and the Trump administration was right to reject it.

Moreover, before any talks in any format, the United States and our partners must demand that Pyongyang first meet the denuclearization commitments it had already agreed to in the past and subsequently chose to brazenly violate.

President Trump should continue to impress with President Xi that a denuclearized Korean Peninsula is in both nations' fundamental long-term interests. As ADM Harry Harris, commander of U.S. Pacific Command, rightly noted recently: ''We want to bring Kim Jong Un to his senses, not to his knees.''

To achieve this goal, Beijing must be made to choose whether it wants to work with the United States as a responsible global leader to stop Pyongyang or bear the consequences of keeping Kim Jong Un in power.

In July, I introduced, with a bipartisan group of cosponsors, legislation called the North Korean Enablers Accountability Act, S. 1562. This legislation takes the first steps toward imposing an economic embargo on North Korea, including a ban on any entity that does business with North Korea or its enablers from using the U.S. financial system and imposing U.S. sanctions on all those participating in North Korean labor trafficking abuses. Our legislation specifically singles out the 10 largest Chinese importers of North Korean goods that we talked about earlier and sends a very clear message: You can either do business with this outlaw regime or the world's largest economy.

I urge my colleagues to support this legislation in order to finally put real pressure—maximum pressure—on this regime and its enablers wherever they are based.

Thank you.

I yield the floor.

The ACTING PRESIDENT pro tempore. The Senator from Virginia.

Mr. WARNER. Mr. President, I thank the Senator from Colorado. During his time in the Senate, he has been an advocate for stronger, more diligent policies with the rogue State of North Korea, and I appreciate very much his comments this morning.

(The remarks of Mr. WARNER pertaining to the introduction of S.J. Res. 49 are printed in today's RECORD under ''Statements on Introduced Bills and Joint Resolutions.'')

HURRICANES HARVEY AND IRMA

Mr. WARNER. Mr. President, I also stand today in solidarity and support of the residents of Texas and Louisiana as they recover from the epic and deadly storms and flooding.

As a former Governor, I know well the devastation and loss brought by natural disasters and the ongoing challenge of helping people rebound and recover. The top obligation of elected officials at the local, State, and Federal levels is to do all we can to keep our people safe and to be present and supportive in helping them get back on their feet after a disaster.

As we work toward dealing with the victims of Harvey, may I also express concern about the coming challenges placed by the next hurricane, Irma. Today or tomorrow, it will hit the U.S. Virgin Islands and Puerto Rico, and by the weekend it may make landfall in Florida. So again, my thoughts go out to those potential victims in advance.

FISCAL DEADLINES

Mr. WARNER. Mr. President, I come to the floor today to speak on the issue that has consumed more of my time and energy during my time in the Senate than any other, and that is the state of our Nation's finances. As a member of the Budget Committee and the Finance Committee, I wanted an opportunity to speak about the looming convergence of several important fiscal deadlines.

The government's ability to continue borrowing money, the so-called debt ceiling—which is an oxymoron since the debt ceiling is simply going ahead and authorizing payment for bills that have already been incurred, but more on that later—obviously must be raised this fall, and the budget year runs out on September 30, the end of this month.

Meanwhile, the White House continues to talk about working on comprehensive tax reform this fall, even though, at least to date, my colleagues on the other side of the aisle, the Senate Republicans, are making it pretty clear they are not going to actually do a major tax reform because they are going to have to rely on a more modest approach, an approach that will require only 51 votes. That sounds as though what may end up coming from the majority will be more of a tax cut than tax reform.

In mid-July, President Trump told an interviewer: ''After healthcare, taxes are going to be so easy.''

Well, we will see. Making the numbers work, getting the incentives right, making the appropriate tradeoffs—rather than being as easy as the President says, comprehensive tax reform, last done in 1986, actually is more like solving a Rubik's Cube. How this body chooses to act in the face of these deadlines—the debt ceiling, the end of the budget year, and tax reform—will tell us a lot about the fiscal priorities of the House and Senate leadership and the priorities of the current administration in responsibly addressing America's longstanding fiscal challenges.

Even though we are just back from recess, let me share with you what I believe are some very hard truths.

First, nondefense discretionary spending made up only 16 percent of our 2016 budget. By contrast, mandatory programs—Social Security and Medicare, in particular—made up 39 percent, and the total is 63 percent because there are other mandatory programs included. On a going-forward basis, Social Security and Medicare will make up 51 percent of spending growth over the next 10 years. Over half of all future spending growth will be on automatic pilot.

The first hard truth is, we cannot dramatically boost military spending, cut taxes, invest in infrastructure, and leave our two largest spending programs—Medicare and Social Security—untouched in any type of fiscally responsible way. That means we will have to make dramatic cuts.

The truth is, there will have to be dramatic cuts. Where will those come from? The nondefense discretionary spending. That means programs for people who work for lower wages or otherwise struggle by—all of those programs will be on the chopping block.

For example, in his fiscal year 2018 budget blueprint, the President proposed eliminating funding for the Appalachian Regional Commission. In my mind, this is the height of hypocrisy. The President did extraordinarily well in the parts of my State that are a part of Appalachia. He promised a renewal for folks who used to work in the coal mines. Yet in his first budget, instead of offering renewal and hope, he slashed one of the most successful, long-term, bipartisan-supported programs, the Appalachian Regional Commission, which has invested millions in communities throughout Appalachia over the years.

The President's same fiscal year 2018 budget completely eliminated a program that helps struggling families heat their homes during the coldest months of winter. Again, all of those cuts come out of nondefense discretionary spending, which, in English, means education, support programs, roads, R&D. All of those programs will be subject to cuts within the current budget fiscal outline.

Here are additional facts. Our national debt is approaching $20 trillion, and debt held by the public as a percentage of the GDP is the highest it has been since we emerged from World War II. The Federal Government spends more money than it collects in revenue. I work in the only place in America where, occasionally, people high-five each other because the deficit on an annual basis got down to $400 or $500 billion. No place in the world would operate with those kinds of economics.

By 2029, every dollar of tax revenue will go to programs, in effect, on automatic spending. Those mandatory programs I mentioned earlier, such as Social Security, Medicare, and Medicaid, are all good programs. But the truth is, if we don't look at those programs, as well, for reform and if we don't understand that we also need to invest in roads, infrastructure, and other support programs, that means by 2029 every dollar we spend on those programs, roads, education, research, and also defense will be borrowed money.

The truth is, we have a very inefficient and outdated tax structure. Let me be the first to acknowledge that and also acknowledge that the goals of tax reform are better efficiency, more transparency. Those are goals I can embrace. It hasn't been updated in more than three decades.

The truth is, on both sides of the aisle there is bipartisan agreement that we need tax reform. I think we can all agree that we have a backward tax system. As a matter of fact, in many ways we have the world's combination of the worst. We have an incredibly complicated tax system with, nominally, on the business side the highest corporate tax rate in the world. Yet if you look at the revenues we collect—and I am not talking about business taxes but individual taxes as well. If you look at the revenues we collect as a percentage of our overall economy, where do you think America lands? If you listen to many, you would think America must be the highest taxed State in the whole world. If you look at the 34 industrial nations that make up the OECD, the United States of America's State, local, and Federal taxes combined are 31st out of 34.

I hear many times from colleagues on the other side of the aisle, complimenting, for example, Germany and other countries around the world on their training and infrastructure. I am not suggesting that we move to their tax systems, but they raise the percentage of their GDP some 5, 6, 7, 8 percent—or more—in taxes than we do. I am not saying that we should duplicate Europe, but if we are going to compare apples to apples, we actually have the world's combination of the worst—the most complicated tax system, yet we raise at the bottom of the barrel in terms of revenue.

Let me be clear. The fact is, there is blame on both sides of the aisle. This $20 trillion of debt did not emerge overnight. This has been growing for 50 years. Both political parties bear plenty of responsibility. The challenge right now is not only our annual deficit, which was the subject of a lot of discussion when our deficit was over $1 billion, but in a sense, even though the deficit is down, what we have to grapple with now is the accumulated debt. So even though there are those of us who may not have been here for decades, we have to bear the responsibility of those who came before us. The accumulated debt in our country is $20 trillion.

Now, we have not felt the full effect of that debt because, since 2009, we have had the advantage of there being record low interest rates, but as we have seen from the Fed and as we have seen from many people on both sides of the aisle who are encouraging the Fed to go ahead and raise interest rates, the days of the luxury of not having to deal with the debt service of our accumulated debt will soon be behind us.

So what does that mean? It means that not ''if'' but ''when'' interest rates go up 1 percent—in financial terms, what is called 100 basis points and, in English, what is called 1 percent—the Federal Government will be charged an additional $160 billion a year in annual interest payments just on that accumulated debt—$160 billion in additional debt service for every 1 point rise in interest rates. If you were to see a spike in interest rates of 3 or 4 or 5 percent, which we saw in earlier times in our country—I do not think that will happen—it would basically bankrupt the Federal Government.

The truth is, even that relatively minor 1-percent increase in the interest rate and the additional $160 billion in debt service comes right off the top. That payment comes before we pay Social Security, before we pay our military, before we pay for roads. That $160 billion is more than we currently spend on the Departments of Education and Homeland Security combined, and that is not an obligation we can avoid paying.

As I mentioned, here is the truth. Fiscal discipline should not depend on who sits in the White House, and fiscal discipline should not depend on who controls Congress. There were many of us who were involved in the so-called Gang of 6, who advocated for the Simpson-Bowles plan a number of years back. It was not perfect, but it would have gotten us out of this challenge.

The truth is, every day, every month, every year we wait to address this structural imbalance, the problem only gets worse. With the tools we have, in plain old balance sheet terms—I have been a business guy longer than I have been in politics—you have to either raise revenue or cut spending, which means the cuts that will have to take place or the reforms that will be required to take place in our entitlement programs or the amount of revenues that will have to be raised will only make it more difficult. As I have said, as to the issue of the deficit and the debt, neither party has clean hands. Frankly, memories in this town are conveniently short.

In the coming weeks, as we head toward the possible convergence of the debt ceiling, government funding, tax reform, and a government shutdown, here is what I have urged my colleagues to pay close attention to.

First, the White House and my Senate colleagues should avoid using rosy scenarios just to make their proposals look fiscally responsible when they are not. Over the next decade, the Congressional Budget Office has said—Congress's official scorekeeper, and let me acknowledge again that, no matter who is in charge, everybody likes to blame the CBO, but it is our referee—it expects our GDP growth to average a little above 1.8 percent per year. I hope we can do better, but that is what the referee says. The Trump administration's budget is based on 7 straight years of 3 percent growth. Now, that is a great aspiration, but any responsible business would not base its assumptions of its budget on a going-forward basis of rejecting our official referee, the CBO, and in effect plucking a number out of the air.

Why do they do it?

Those rosy and unrealistic economic assumptions allow the administration to claim a fictional $3 trillion in additional tax revenue over the next 10 years. That is the differential in 1.2 percent of additional growth in 7 years straight. The administration, in its proposal, then uses this fake revenue to cloak additional tax cuts and spending cuts under the banner of fiscal responsibility. That is wrong and irresponsible, and no responsible organization or business would take those actions.

Second, the administration cannot shift costs to others and then claim it as a savings. Look no further than what the Trump budget does with Federal programs for the poor. Over the next decade, it calls for slashing more than $600 billion from Medicaid, and that does not include the additional cuts to Medicaid that were proposed in its ill-fated healthcare reform. The truth is, Medicaid is a partnership between the Federal Government and the States, and as a former Governor, I am aware of this in real time. So a $600 billion cut at the Federal level has a direct impact on State Medicaid responsibilities. It simply squeezes the balloon, forcing the States to either dramatically up their shares of the cost to Medicaid or dramatically cut back services.

Third, the administration claims that its tax reform plan will pay for itself and stimulate so much economic growth that it will not add to the deficit. This is maybe the most spurious claim of all made by the administration. Here is the basic problem. The truth is, at least what the Trump proposal has put out so far has really very little to do with comprehensive tax reform. Instead, it is a two-page wish list of tax cuts—a wannabe of every interest group that would like to get its special deal in the Tax Code to its advantage. Every time we promised tax cuts would pay for themselves, it has not worked out.

Let's remember that Ronald Reagan's 1981 tax cut provided a short-term stimulus, but then deficits ballooned, and President Reagan had to raise taxes in 1982 and 1984. Likewise, President George W. Bush's tax cuts in 2001 and 2003 provided that quick sugar high, but ultimately they had little impact on economic growth. Instead, the Bush tax cuts produced large deficits into the trillions and trillions of dollars that moved us from a budget surplus on an annual basis, which he inherited, to the point at which, when President Obama came in, the deficits were approaching $1 trillion a year.

Fourth, paying for tax cuts through deficit spending is a really bad idea. It will make reaching any responsible fiscal goal that much more difficult. Also, studies show, tax cuts that add to the deficits are worse for growth over the long term than those that are paid for and actually can reduce growth over time. So any lawmaker who says he supports not paying for tax cuts should also have to explain why he thinks adding to our national debt is a good idea—a national debt that already stands at a record high, a national debt that is already at $20 trillion, a national debt that when interest rates will go up, which they will, will end up sucking out $160 billion a year in additional payments on an annual basis just for a 1-percent increase in interest rates.

Fifth, it would be foolish to try to balance the budget by shortchanging investments that actually strengthen our economy and our competitiveness over the long term. The budget proposals we have seen from the administration and the House Republican leadership takes a meat cleaver to a couple of the key areas that actually government should be invested more in—research and development, education and workforce training, and infrastructure. As a former business guy, as somebody who has invested in more businesses, created public companies, was a venture capitalist for almost two decades, I have looked at businesses, and I have based my willingness to invest on whether they had good plans in terms of investing in their workforces, investing in their plants and equipment, and investing and staying ahead of the competition. For a government, that means, with regard to the workforce, investing in education. When investing in plants and equipment, that means infrastructure. Staying ahead of the competition means investing in research and development.

Let's put it like this. I would never have invested in a business that spends less than 10 percent of its revenues on those critical investments. That is not the way for our country to make responsible investments either. The truth is, the Trump proposals would take our current investments in education, infrastructure, and research and development to way less than 10 percent of our total revenues.

Finally, we can achieve fiscally responsible and bipartisan tax reform, and I actively look forward to working with my colleagues on both sides of the aisle on these reforms. There is no area I have spent more time on, and I think I bring something to the table as both a former Governor and, more importantly, perhaps as somebody who has built businesses for more than two decades.

I also strongly suggest that nothing could help our economy more than a bipartisan agreement on a responsible path to making sure we do not simply salute when our deficit is only $400 billion or $500 billion a year but when we actually start to bring that deficit down.

Those are the challenges that are before us. In many ways, we will start to see the outlines of those challenges this month. I look forward to actually trying to move the ball forward on these very important issues.

I yield the floor.

I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The senior assistant legislative clerk proceeded to call the roll.

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

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

HURRICANE HARVEY

Mr. CORNYN. Mr. President, it has been 1 week since Hurricane Harvey hit the State of Texas, and although the rain has now stopped, the damage continues, as much of the water that has moved through Houston is now moving downstream to rivers and bayous and areas south of Houston. People's lives are still being disrupted, and unfortunately more and more bodies are being found, as the water has receded in places that have been flooded. Eight days ago, Harvey's wrath was still being felt.

Of course, we are still counting the cost, and, as one lady in Houston told my staff, ''Normal is a long way off.'' It is more than just days we are counting, though. As families return to their homes and piece their lives back together, the numbers keep rolling in. Numbers are how we keep track, and I want to mention a number of numbers that I think will help all of us understand the magnitude of what has occurred and will help us wrap our heads around what this disaster has meant for not only Texas but for the country.

The largest numbers are the toughest—not the toughest to swallow, and I will get to those in a moment, but simply to comprehend. They are the ones that make your jaw drop.

Twenty-seven trillion—that is the number of gallons of rain that Harvey pummeled on Texas and Louisiana.

Then there is 2.7 million—that is how many liters of water have been provided to Texas by FEMA as of last Friday. Don't forget that parts of the city of Beaumont are without drinking water or are subject to a boil notice for 7 more days.

There is another number: 1 million. That is the number of cars reportedly destroyed by the storm—1 million cars.

Forty thousand—that is the number of homes Harvey permanently wrecked. At least that many people are still, even today, in shelters, living off of cots at convention centers, inside government-funded motel rooms, or living with friends and family.

Next come the middle batch of numbers, slightly smaller and more manageable sums. Some of these actually come as a relief. Some of them remind