

HONORING THE LIFE OF DICK SHELLENBERGER

(Mr. SMUCKER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. SMUCKER. Mr. Speaker, today I rise to honor Dick Shellenberger, a wonderful man who dedicated his life to serving Lancaster County.

Dick recently passed away and left an enormous legacy in our community. I attended a memorial in his honor on Friday, and you could tell how well-loved he was in the community by so many people who showed up to pay their respects.

Dick first ran a dairy farm with his father. He was a graduate of Lancaster Mennonite High School. He worked for Kreider Farms and established the farm's ice cream business, operating its four family restaurants, two dairy stores, and wholesale milk business. He then was a restaurateur, but he eventually became Lancaster County Commissioner.

He was a strong proponent of farmland preservation because he knew the importance of agriculture and farming in our community. He served on many community boards and on his church boards and was always looking for ways to give back.

He is survived by his wife, Pam; a son, Richie; a daughter, Missy; and his six grandchildren.

Dick's legacy will undoubtedly live on in our community. We are grateful for his service to Lancaster County. We also know that he is in a better place, but we will certainly miss him here. It is humbling to be able to honor his life.

CELEBRATING MAYOR ALLEN OWEN

(Mr. OLSON asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. OLSON. Mr. Speaker, I rise today to celebrate Mayor Allen Owen and his almost 40 years of faithful service to a great city in Texas—22, Missouri City.

Allen served as the mayor for the better part of 20 years. He always led in a crisis, like the recovery from Hurricane Harvey, one Memorial Day flood, and two tax day floods. He even cut the locks at a gas station to give fuel to first responders during those floods.

Allen and his wife of 51 years, Jane, have raised three amazing kids in Missouri City.

I will close with praise from a Texas icon, the great Texas philosopher and the coach of the Houston Oilers, Bum Phillips:

Allen Owen may not be in a class by himself, but whatever class he is in, it don't take long to call the roll.

Thank you, Al and Jane. May you always have fair winds and following seas.

KANSAS DAY

(Mr. WATKINS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. WATKINS. Mr. Speaker, tomorrow is Kansas Day. As Kansas celebrates her 158th birthday, I would like to take a minute to celebrate her.

Our State motto is "Ad Astra per Aspera," through hardships to the stars. This motto captures our State and the spirit of our people.

We have had frontiersmen, space explorers, and leaders in agriculture and digital technology.

We have won sports championships and Academy Awards.

Leaders like Eisenhower, Dole, Roberts, and Pompeo have helped make the world a better place.

From our history of Bleeding Kansas to Brown v. Board of Education, we are never afraid to fight for what is right.

For 158 years, Kansas, you look great.

BORDER SECURITY

(Mr. LAMALFA asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. LAMALFA. Mr. Speaker, I rise today to commend President Trump for coming together with this 3-week deal that will allow us to open the government, as it has, and continue the discussion on the border security issue we so desperately need.

It is time to put up or shut up. This has been a bipartisan effort in the past with previous legislation to build the border fence and a lot of rhetoric and a lot of talk by the other side of the aisle supporting a controlled border and legal immigration.

It is time to go ahead and do it—no more talk, no more obfuscation, and no more pointing fingers in the other direction. We need to have border security in a bipartisan way, as it has been done in the past.

Who cares that it is President Trump or someone else in the White House only because it is a political fight? This is something our Nation needs.

So, again, 3 weeks to get it done, 3 weeks to come together and acknowledge that a barrier system on our border is one important component of many to have a secure border and allow legal immigration in this country.

CBO REPORT

The SPEAKER pro tempore. Under the Speaker's announced policy of January 3, 2019, the gentleman from Arizona (Mr. SCHWEIKERT) is recognized for 60 minutes as the designee of the minority leader.

Mr. SCHWEIKERT. Mr. Speaker, I am going to try to do a couple of things tonight, and some of this is actually to answer some correspondence we had into our office when we did part

of our, we will call it, unified theory presentation a couple weeks ago on what we see happening.

I have two key points I really want to try to drill home tonight. I am going to say them over and over, and I am going to use a number of different slides to talk about them.

Mr. Speaker, one is, it is obvious. You see what is happening in our mandatory spending, but that mandatory spending is substantially driven by our demographics. We are getting older as a society, and we need to just deal with that. That is not Republican or Democratic; it is basically math.

Those of us from the baby boom—there are 74 million of us—the peak of the baby boom, I believe, right now, is about 63 years old. A lot of the reforms should have happened a decade ago. Now it is almost too late.

So how do we deal with the fact of the matter? We are going to see a number of slides of what is about to happen in our mandatory spending curve and what that means to the financial impact of our debt and our economic growth in our society, because much of the debate you will see behind these microphones, I believe, is actually missing the point.

We joke in our office that D.C. is substantially a math-free zone. We are going to try to actually do some math.

The reason we put up this slide is very, very simple: just to visualize it. It is about a year old.

This new CBO report update came out today. We are grinding through it. We have a couple slides here from that.

But just to visualize, this is 1965, and that is 2018.

Mr. Speaker, do you see the red area on the 2018? That is to give you a sense that we don't vote on that. That is on autopilot. The blue area is actually the defense spending; that is about 15 percent. The green is basically everything else.

So remember, 70 to 75 percent of all of the spending around here is on autopilot. I am going to show you, Mr. Speaker, in a number of these slides how much of that is actually really based on our demographics.

This slide is very powerful—and I am going to bend it just a bit to try to understand.

Now, this is done by the Manhattan Institute. It was done about a year ago. So we are going to try to get the numbers updated.

Now, this is not adjusted for inflation. So when it says what is causing an \$84 trillion deficit, functionally, over the next 29, 30 years, you can take off about one-third if you want to do the inflation adjustment in your head.

But when you look at it, the point is up here. You see the first bar; that is Social Security. The middle bar there is Medicare, and the third bar is everything else.

Mr. Speaker, you will notice everything else over the 30 years is actually positive in its impact on revenues, but Social Security and Medicare are the

vast, functionally, almost all of that \$84 trillion of debt.

It is demographics, it is math, and we need to deal with it, because as a society and as a government, we have an obligation to keep our promises. These are earned benefits. But how do we do it?

We are going to talk about how we keep our promises in the last part of these slides.

But, once again, I am trying to make the point that the scale of the problem, if you have a political person, an academician—anyone—and they are talking about the future of this country, if they are not talking about what is happening to us demographically and our entitlement promises, then they are not telling you the truth, Mr. Speaker, because this is going to drive all policy around it.

Now, I will have lots of conversations with folks back home in Arizona—which is just beautiful; I think it was 74 degrees today in Scottsdale—and I will get: Well, I paid into the program.

And you did, and we have a social contract with you on those benefits, but we do need to understand some of the actual math.

□ 1945

This is sort of the average person who will be moving into retirement over this decade. For Social Security, you will have paid in about \$540,000 in Social Security taxes. You are going to get about \$616,000 back out.

Those two are fairly in balance, even though all that money that went to the trust fund then is loaned to the Federal Government, and then the Federal Government—actually, Treasury—puts special T-notes. The last time I checked, they were paying like 3 percent, so they had a reasonable rate of return.

But the one that causes most of the deficit over the next decade, two decades, three decades, you look at Medicare. The average person will have paid about \$140,000 in Medicare taxes. They are going to get \$422,000. So 140 in, 422 out.

When you see that number, it is an understanding that we need to do the things that would bring price disruption to the delivery of those health services. If not, think of this: 74 million baby boomers—74 million baby boomers—and, on average, we will have put in \$140,000 in Medicare taxes, and we are going to get \$400-some thousand in benefits back out. The math is just devastating for our economic future.

This is a brand-new slide. This is in today's CBO report. The reason I had this one printed is to understand, in 9 years, according to today's CBO report—9 years—50 percent of all Federal spending, not counting interest, just 50 percent of all Federal spending, will be to seniors.

Just understand what that means. I believe, in the early 1970s, for every dollar that went to seniors, \$4 to \$5 went to our children. It has, obviously,

more than doubled in the other direction.

It is just demographics. We are getting older. Birth rates have substantially collapsed in the country.

But this is in today's CBO report, just to get our heads around it. The dark brown you see on top, that is those who are 65 and older. What is more of a rust color, those are 20 to 64, just to give you an idea of the population differences. Yet, the brown part, in 9 years, is 50 percent of all Federal spending. We need to understand that it is demographics.

Another slide, just to sort of make the point here, if you were to go from 2008 to 2028, take those years, 91 percent—91 percent—of the increased spending of the Federal Government is, functionally, interest, Social Security, and the healthcare—we will call it healthcare entitlements, healthcare delivery. That can be Social Security. It can be Medicare. It could be Indian Health Service.

Think of that. Ninety-one percent of all the spending growth from 2008 to 2028, over those 20 years: Social Security, interest, healthcare entitlements. Ninety-one percent. It gives you a sense of where the spending is.

Yet, we will have hours and hours of debate on this floor over this coming year on trivial issues, because this is really difficult. This is hard. No one really wants to talk about it because the math is difficult. There are lots of zeroes.

The elements of it mean some very difficult things for someone like me who believes one of the greatest issues of our time is retirement security. Yet, 91 percent of the increased spending from this Federal Government over that 20-year period: Social Security, interest, healthcare entitlements.

Now, this is a brand-new slide. We are going to, over the next couple weeks, come back and do some more analysis on the CBO report today, the Congressional Budget Office report, and what it is telling us.

This is a little awkward. We have never printed one this direction. I hope it works. This is directly from today's information, the budgetary policy release.

See those lines? The only reason I put that up is to understand, whether it be what you all think of as the Social Security trust fund, the Social Security disability trust fund, or the Medicare trust fund, you will notice, in the next couple years, all of them go below zero.

We need to understand the impacts, that demographics spending promises have now caught up with us, and we are emptying out those trust funds.

This one is a good one. If you are like I am—and I know I am blessed to have some folks who correspond with me after we do these presentations. They have a fixation on: Well, what is the spending as a percentage of the size of the economy?

In many ways, when you have some-one throw out a debt number, the num-

ber that is most important to most economists, actually, is: How much is that dollar amount as a percentage of the size of the economy? That is why there is this fixation for many of us here that we have to grow the size of this economy, because that is how we can digest the amounts of debt that are, demographically, about to come to us.

Do you see this number out here, that 15.1? Understand that is, functionally, 9 budget years from now. That is saying, 15.1—and this is from, I believe, today's CBO report. It is saying, in 9 years, 15.1 percent of the entire economy will be Federal Government mandatory spending and 5 percent will be discretionary. Remember, discretionary is things like the military, parks, healthcare research.

All those things will be 5 percent, and 3 percent of the entire economy's value will be what we are spending just to cover interest. Add those together, and you start to understand: In 9 years, Federal spending, we are over 23 percent of the entire GDP.

What should blow off this page to you: In 9 years, over 15 percent of the entire Nation's economy is just covering the mandatory spending here. That is under today's policies.

Now, in the next couple weeks, we will do more of this, and I am going to find a way to print some boards that become more digestible, because I will get calls that will say: Well, David, just do this. Lift the caps on Social Security.

Well, let's look at some of those numbers. If we come over here and start to say to eliminate FICA caps from the 15 percent payroll tax, so just lift the caps, you have to understand that it covers 0.78 percent of the 6-plus percent of GDP shortfall.

These are all the pop solutions that I hear often from my friends on the left. You start to add them up, and they cover only fractions of the avalanche of debt and spending that are coming at us.

We will do some more breakdowns on these over the next couple weeks, just to understand where the real math is, because we have a classic problem around here. Our rhetoric doesn't actually fit our calculators.

Let's walk through some of the other things that are going on. I have repeatedly come behind this microphone and talked about something we in our office refer to as the unified theory. I believe there are, functionally, five things out there we have to do to sustain the future and survive, those of us who are baby boomers, and our earned promises, our entitlements.

The first one we talk about is: What are you going to do to maximize economic growth? What are you going to do to keep people in the labor force?

This one here that I put up, this is a chart of what we call labor force participation.

We were all joyful when we found out in December that we crossed over 63

percent participation. But, remember, it was only like a decade ago that we were close to 67 percent of our population participating in the labor force, working.

There is a great article today, if you have a chance to look at it, in the Wall Street Journal, talking about, in this incredibly robust job market we have today, where we have, functionally, hundreds of thousands—millions, if you actually do the average out—of positions looking for workers, that we are starting to see something that is really good for society. Those who have had a rough time are moving into the labor force. Those who have designations of having handicaps, maybe on Social Security disability, others, are moving into the labor force.

I am fixated on this particular slide because we have to do better. I ask every policymaker, whether you are on the left or the right, to think about how we design these programs that are meant to be our safety net. How do we design them to encourage work, to encourage that participation in the labor force? We have to have that on this end, if we are going to have the resources on the other end to keep our promises.

We are going to go through all five things that I believe, optimistically, can get us there.

This one I put up just because it is from Arizona. A bit of trivia: You saw the numbers a few months ago talking about the collapse, functionally, in U.S. birthrates, you know, down to 1.67. Do you know what State had the largest fall of birthrates? It was actually my home State of Arizona.

You start to see this and understand the scale we are at. We are substantially below replacement rate right now.

When you see this slide, you immediately should start thinking about what we can do as incentives in our society for family formation with children, but also what are the levers with immigration that would help us move to certain types of population stability.

Before we go to the next slide—let's hold off on that one—let's walk through sort of an optimistic vision of what we can do. It is big; it is complicated; and it is going to require a lot of us to explain really difficult things to constituencies that have heard politicians for decades now saying: Well, if we just take care of waste and fraud.

You understand, there are problems out there. It needs to be fixed. I believe there are technology solutions to stop the waste and fraud. It is a fraction of a percent of what is actually happening out there.

So let's walk through our five.

We have to grow our economy. That is why we did tax reform. That is why we also now have to fix our trade situation. That also is why we have to continue the proper types of education in our society.

There is a series of things you do as a society to maximize economic expansion,

because we are talking more than just this year, next year, the next decade. We really need to have a window that goes out at least 30 years.

Remember our baby boom population of 74 million with the peak being 63 years old? We need to be thinking at least 30 years out of what we do to maximize economic expansion over that time.

A lot of it is going to be tax, regulatory, education, trade, those types of things that we have the levers on that can maximize that expansion.

The next thing we were just talking about is labor force participation. Let's fixate on that.

As we start to go through these, what do you also do within the incentives?

You are 65. You are healthy. What could we do as incentives within Medicare, Social Security, certain of our tax rules, to encourage someone to stay in the labor force?

If you have an interest in this, read some of the articles about things Japan has been doing to try to create some labor force participation stability, even though their population is aging out very, very quickly.

The next slide I want to go to is one of my favorites, just conceptually. That is, much of the explosion in the costs, you see, is in the Medicare area. The debates that happen on this floor about healthcare, if you take a step backward and can strip your mind a little bit from being a Democrat or a Republican, you do understand that much of the debate around here is not about what changes the cost, but it is about who gets to pay.

□ 2000

The ACA created a world where we are saying: Okay. We are going to create all these government subsidies; we will move it this way.

But it didn't remove any costs. Then we will actually do things that are saying: Well, we believe this will actually get more participation in the marketplace, and that will actually create actuarial stability.

But, ultimately, if you actually take a step backwards and think about, in society, what do any of these do to actually remove costs? And I want to argue there is a technology disruption revolution about to hit in healthcare.

The poster next to me actually is a handheld ultrasound. Think about an ultrasound that is the size of your phone. You take it, you actually plug it into your phone, and you have an ultrasound; something that, just a few years ago, was really expensive, you can have in your pocket.

It is under a couple of thousand dollars, and, apparently, the prices are crashing because there are now multiple competitors in this technology because of the development of new types of sensors. Think about a world where it is much more than you are wearing a smartwatch that helps you with your heart arrhythmia, but think about something where you can blow

into it, and it tells you if you have the flu and automatically could order your antivirals. Well, it turns out that is actually in testing right now.

How many of you went to Blockbuster video last weekend? Of course not. There was a technology revolution—feels like it happened overnight—where we used to go stand in line, get a little box with a little disc in it, get movie recommendations from the person behind the counter. Today, we go home, we hit a button, and it is HBO Go, it is Netflix, Hulu, whatever you ultimately watch. We were quite willing to accept that technology in our homes almost overnight.

I am going to continue to ask Congress, the regulators, the people in our society, think about what we could do to disrupt the costs of the delivery of healthcare, and I will argue with you that it is technology. There is an experiment going on in Arizona right now where I think they are up to five little clinics that are substantially autonomous. It is a powerful thought experiment.

You will hear people; Members of Congress talk about telemedicine. I will argue with you, some of the research we have been doing out of our office, telemedicine now is already out of date. There is now algorithmic, where it can read these sensors that you wear on your body. It can actually read with the thing you blow into, and the algorithm is amazingly accurate.

Would that concept help us in our issues in rural healthcare, but also in our ability to have the cost collapse that technology potentially brings? And I know it is uncomfortable because we are used to the system we have, but we can't afford the system we have. You have seen it in the chart. You see what is coming at us.

Then the last thing of the five is we are going to have to have an honest conversation about the way Medicare, the way Social Security, the way many of these programs are designed. Do we need to look out into the future and build a shock absorber into them that has to do with life expectancy? What would happen tomorrow if we were blessed to have a cure to Alzheimer's and life expectancy suddenly—what is the term? Like a punctuated equilibrium, we had a sudden pop of a few years in life expectancy, what would that mean to actuarial tables?

Do we need to start designing in shock absorbers policy-wise today, the incentives to actually stay and work so we have the labor force participation, but, also, can we build some spiffs, some incentives?

So if you start to look at everything from fixating on the growing of the economy, fixating on participation in the labor force, fixating on the adoption of technology as a price disrupter, and then the actual structure we use on the delivery of entitlements, and we understand the scale and how fast this is coming at us, I will argue with you, it is something we need to do almost immediately.

My goal is, over the next few months, every week, every other week to come behind this podium, and we are going to start to get more granular in how the policies would work and what drives them.

So my point, once again, is understanding it is mandatory spending. It is substantially, remember, 91 percent, delivered by our demographics, and demographics isn't political. It is just what we are as a society. So what do we do?

Last bit, because I skipped it, and I want to come back to it. Immigration; designing an immigration system that substantially promotes a talent-based model. Why? If everything we do policy-wise has a fixation on economic expansion, on economic growth, so we actually have the resources to keep our promise as a society, you actually have to think about, even immigration, and a model within that both looks at population stability—because you saw what was happening to our birth rates—but a talent-based system so you get the maximum multiplier effect of economic growth.

When we do the math in our office, we see a way to stabilize the debt. It doesn't go away. It keeps growing, but the economy grows so that percentage of debt to GDP actually keeps us so our interest rates don't explode off the charts because no one will take the risk on our debt, but think of the number of policy decisions I am asking this body to make.

There is a path. It is going to be hard. We are going to have to explain a lot of very difficult mechanics of why we need to do what we are going to do, but it is the path that saves our country.

I have a 3-year-old little girl, best little girl ever. I want her to have the same opportunities I have had. And the way our demographics pile up our debt over the next 30 years, she won't have the same opportunities I have had, and that just isn't fair. That is not fair to anyone. We have got to find a way to keep our promises and have the next couple of generations also have the same opportunities.

Mr. Speaker, I yield back the balance of my time.

NECESSARY BORDER WALL

The SPEAKER pro tempore. Under the Speaker's announced policy of January 3, 2019, the Chair recognizes the gentleman from Wisconsin (Mr. GROTHMAN) for 30 minutes.

Mr. GROTHMAN. Mr. Speaker, we have another weekend gone by and another speech of our President on the issue of illegal immigration and what to do with the wall on the southern border.

I take this opportunity, after spending the weekend talking to several constituents of the Sixth Congressional District, to deal with some misconceptions in this debate.

The first misconception I would like to talk about is whether Donald Trump

can compromise, because there are some people out there who feel that the delay in opening the government was because this, admittedly, type A individual could not compromise.

The shutdown was caused because we had not passed an appropriation bill that both, I can say, sides, both the pro-wall and anti-wall people could agree with. President Trump previously—this is his third year—signed two appropriation bills funding the Department of Homeland Security and the rest of the government without getting a wall. It was not until the third time that President Trump and Congress could not reach an agreement on the Homeland Security bill. And I will point out that was largely because Congress couldn't get along, not President Trump.

After a delay of over 30 days, President Trump has, one more time, compromised. He compromised to allow 3 more weeks of the government to be open on the promise, or the implied promise, of the Speaker that she will, in good faith, negotiate about a wall.

President Trump, during this time, also agreed to an extension, a DACA extension, which the border patrol, quite frankly, would disagree with, because they feel it will encourage more people to be optimistic and come here illegally across the border. He also extended temporary protected status, another thing which may or may not be right, but was a further olive branch towards people, who, so far, would refuse to vote for a budget with the funding of a wall.

In any event, I think, if you look at the past, President Trump has been more than willing to compromise, signing bill after bill in his first 2 years, despite not making due on his number one campaign promise, extending temporary protected status, a DACA extension, and now a 3-week extension.

You can say a lot of things about Donald Trump, but you cannot say he is not willing to compromise. I think very, very many people feel he has compromised more than enough.

The next question is: Do we need a wall? Is a wall necessary? And the fact is it is. We need a wall because we need secure borders.

First of all, as has been pointed out, 70 percent of the heroin in this country, which has caused tens of thousands of deaths, comes across our southern border. Some of that heroin comes across points of entry, and at the points of entry, it is not unusual to catch people sneaking in heroin. Some people have made something of the fact that not a lot of heroin is caught in the 60 percent of the southern border that has no barrier at all up.

That is because there is no barrier. We have no idea how much heroin is coming across there, but common sense will tell you, if you wanted to sneak illegal drugs in this country and have a choice between going across a regular point of entry with perhaps dogs and border control agents or somebody out

in the middle of nowhere, you would go somewhere out in the middle of nowhere. It is hard to tell me that anyone cares about the heroin crisis in this country if they do not want a wall.

The next thing to look for is all the people sneaking into the country. The border patrol itself will tell you they have no idea how many people are coming across the border. We can say, at a minimum, we have 11 or 12 million people in this country illegally, but for all I know, talking with somebody from the border patrol today, it could be 20 million.

And the question is, if we are going to let more people in this country, are we going to let people in this country who are sneaking across the border or people who are coming here legally?

Another problem with people coming here legally, I would argue, is they may be more likely to use welfare or that sort of thing when they come to the country. Talking to the customs agents, I have found evidence, when they looked at people's purses, when they looked at people's wallets, of evidence of people using EBT cards or Medicaid cards, taking free goods from the American taxpayer.

People are committing crime. One can see when more walls are built on the southern border; crime goes down on the other side of the wall. A large percentage of people who are in Federal prisons are illegal immigrants, which is not surprising, given that they broke the law to come here.

It is a dangerous way to get in. Thousands of people have been found dead trying to sneak across areas not at a point of entry. And having been down in the desert in Arizona, I can easily see why that would happen. People are giving children to other people to come across the border, knowing it is easier to stay here if you come with children.

Obviously, that is a dangerous thing. As President Trump says, it is a humanitarian crisis not to shut off the flow of people who are coming across the desert hoping to get to America.

Finally, it is a huge cost to the American taxpayer. Something is said about the almost \$6 billion President Trump is asking for a wall. A variety of different organizations make different guesses as to the cost of illegal immigration every year. It is probably more than \$50 billion. It is not surprising when you take into effect the free healthcare, the free education, the welfare given out, and the cost to our criminal justice system.

In any event, do we need a wall? If we care about heroin, we need a wall. If we care about the cost to government, we need a wall. If we care about people who are hurt by criminals who come across the border, we need a wall. And I should point out that, right now, that border is controlled by the drug cartels in Mexico. We need a wall.

The third issue I would like to address is there are some people who feel that Donald Trump is anti-immigrant or America is becoming nativist by requiring a wall. That is not true. Every