right direction. This is not a statement of endorsement of the legislation as it has come out of the committee. A lot of work needs to be done, particularly a lot of work in order to reconcile the different approaches of the different committees—the Health, Education, Labor, and Pensions Committee and the Judiciary Committee—because the last thing we want to do is to go through this arduous, complex legislative exercise only to find out that we have failed to lower out-of-pocket costs for American consumers or that we have introduced some other unintended consequence that makes things worse and not better.

The journey a drug takes from research and development to manufacturing, to pharmacy shelves, and eventually into our medicine cabinets is enormously complicated.

As I said, once a consumer has purchased a drug, figuring out who gets what part of each dollar requires—well, I was going to say it requires a Ph.D. It requires even more than that because you may need to hire an ex-FBI agent to try to track down what percentage of each dollar each of the players in the prescription drug field actually gets. As a consumer, this is particularly alarming because we don't really have any idea of whether we are paying a fair price or who is profiting and at what point or whether people are doing things that benefit their bottom lines. They don't actually add value to the system. Ultimately, they end up costing consumers more out of pocket.

When it comes to Medicare and Medicaid, it is doubly concerning because, in most cases, these prescriptions are being at least partially subsidized by taxpayer dollars. So we need to shine a bright light on the reasons behind these high costs and price increases to make sure patients aren't being gouged and to make sure the government—in other words, the taxpayer—isn't being overcharged. That is one of the primary goals of this legislation. It would require manufacturers to report information about price increases to the Department of Health and Human Services as part of that transparency effort.

As I suggested a moment ago, it also looks at the role of pharmacy benefit managers who are the intermediaries who link manufacturers to consumers. They negotiate with the manufacturers to secure rebates, which create a net price, but it doesn't appear that, by and large, this actually flows to the consumer or to the patient. Frequently, it is used, we are told, to keep premiums lower by the health plans. Yet we don't know that for sure because trying to get access to the information is really challenging, and the size of the rebate could mean the difference between a drug's being covered by insurance or not. Oh, by the way, rebates don't help you at all for your copay or for your deductible.

These days, we know, for example, for many Americans, the Affordable Care Act has resulted in sky-high deductibles and high premiums. That means consumers have to pick up more of the cost at the list price, not at the net price, which is negotiated by the pharmacy benefit managers who work together with the healthcare plans.

I find it very strange, with as big a role as the pharmacy benefit managers play, that we know very little about how they operate or whether they all operate exactly the same or differently. This legislation would require pharmacy benefit managers to disclose details of the discounts of rebates they receive and finally pull back that cloak of secrecy.

I do have concerns about one portion of the bill that was voted out of the Finance Committee this morning, which would require manufacturers to pay a rebate on drug price increases that are higher than the rate of inflation. The Congressional Budget Office has estimated the inflation rebate will save $50 billion for Medicare. It claims it will lower out-of-pocket costs for beneficiaries by $7 billion and lower premiums by $4 billion.

I asked the head of the CBO this morning: Well, if everybody saves money, who ends up paying more money? It basically comes out of the manufacturer's hide.

This really speaks to my other major concern, and that is that the Federal Government not get into a position in which it is setting prices. We know that when you institute price controls on a commodity—particularly if you are the Federal Government—and when you try to negotiate with somebody, it is not a level playing field. When you negotiate with somebody as the Federal Government, you are literally doing it with a gun to one's head or figuratively doing it with a gun to one's head. It is not a normal give-and-take negotiation. Ultimately, what happens with price controls is it creates scarcity because, at some point, the manufacturer or the producer of that commodity will say: I am not going to produce that at that controlled price by the government. So this is a serious concern.

The CBO also estimates that this rebate would reduce costs for prescription drug benefits offered by commercial insurance plans. Although we don't have a final score by the CBO—this is just a preliminary plan—I will share with you an observation made years ago by Senator Bob Bennett, of Utah, when I first came to the Senate.

He said: The one thing I can tell you about CBO scores is that they are always wrong. I can't tell you if they are too high or too low, but this is part of the complexity of trying to predict the future and how human behavior will affect their calculations and analyses. Sometimes they get it right, and sometimes they get it wrong.

Despite the encouraging estimates, many members of the committee had significant concerns that this policy could lead to higher launch prices or higher out-of-pocket spending. So this morning in the markup, I supported an amendment by our friend from Pennsylvania, Senator TOOMEY, that would have removed this inflation rebate penalty. Unfortunately, it failed on a tie vote. It is something I don't think I have seen before, in which 14 Senators voted for it and 14 voted against it, but it means the amendment failed.

Here is the problem. There is a delicate balance between preventing price increases, which is something we would all like to do, and still preserving the market-based approach that has made Part D such an overwhelming success. It actually is a government program that works better than we thought it would when it was passed.

I think we need more input before this bill comes to the floor, for there is a lot of work yet to do. As the old adage goes, anything worth doing is worth doing right, and we had better get this right. I think there will be quite a price to pay if we undertake this huge exercise and end up failing to reduce consumers' out-of-pocket costs or creating more problems as a result of unintended consequences. Providing our seniors peace of mind when it comes to their healthcare costs is certainly worth doing right.

So I believe we need to continue refining this proposal to strike a better balance and effectively deliver on our promises. It is important that we not rush this process. There is no artificial deadline. There shouldn't be. That is why the Senate was created, to force deliberation in a body of 100 Senators with challenging rules to actually get things to the President's desk for his signature. But what it should do is force deliberation and force us to do our due diligence to make sure that we are not creating more problems or failing to accomplish our goal.

I told members of the committee this morning that I don't think this bill, as written, is anywhere near ready to be considered on the floor. I asked the chairman and the ranking member to commit to continue working with Members before this does come to the floor, and I was glad that both of them agreed to do so.

While I believe we are making some progress, we better be very careful, and we shouldn't impose on ourselves any artificial deadlines in order to get this thing done and perhaps get it done badly.

I yield the floor.

The PRESIDING OFFICER. The Senator from Utah.

DEBT CEILING

Mr. LEE. Mr. President, there is a quote that has long been attributed to St. Augustine, who, during his conversion to Christianity, famously uttered a prayer: Lord, help me be chaste. Grant me chastity, but not yet.

The idea behind this is as old as human nature itself, which is that it is easier to have a thought of doing something later than to do that thing now, especially when it is a difficult task.

It is one of the reasons New Year's resolutions often result in a spike, an abrupt increase in gym enrollments and memberships. People develop New Year's resolutions; they decide they are going to lose weight; they are going to exercise more; they are going to eat less. Then it becomes more difficult as time goes by, and perhaps over time, some of them might find it easier to say: Well, I will lose weight later in the year.

After starting the new year off to a good start, they might say: Well, I will lose more weight in the last half of the year. Later in the year it might occur to them that they will lose more weight in the last 2 months of the year. Regardless, as they continue to delay that moment, the task doesn't get easier; it often gets harder.

The budget and spending and debt limit deal that was announced earlier this week reminds me a little bit of this aspect of human nature. It is understandable why this happens. It is especially understandable why it happens in a place where people are elected and where people want to be liked, where supporting greater government spending often results in praise, and calling for even a mild tapping on the brakes often results in rather severe criticism in the press, even by one's own constituents. But that doesn't mean that we can pretend things are different than they really are.

So, yes, you can suspend the debt ceiling, and you can waive budget rules, but you can't suspend or waive or ignore the laws of mathematics.

We have to remember that at a time when we are talking about a significant expansion of the role of the Federal Government, when we are talking about suspending the debt ceiling for an additional 2 years, we are talking about paving the way for us to spend a whole lot more money through the Federal Government than we would otherwise spend.

This is occurring at a time when Americans are already required to work many weeks and, in some cases, many months out of every year just to pay their Federal taxes. In addition to this, after that they are told: By the way, that is not enough.

It is not nearly enough because, for a long time, the Federal Government has been spending a lot more money than it takes in. Lately, it has been to the tune of many hundreds of billions of dollars a year.

We have never in our history brought in more money or as much money into the Federal Government's coffers as we are bringing in right now. We are at the very top of the business cycle. We have nearly record-low unemployment, in the range of roughly 4 percent or a little below, which is, we are told by economists, basically full employment in America. At a time when all of these things seem to be going our way and we are enjoying a period of relative peace in the world and in our country, we have record-breaking deficits, and this budget and debt ceiling deal would expand the path, would pave the path for even more of that.

That begs the question: If we can't control spending now, when the economy is performing about as well as it possibly can, then when can we?

To borrow a phrase from John F. Kennedy, ''If not us, who? If not now, when?''

Let's talk for a minute about America's history with expanding its debt limit, expanding its debt footprint.

What we see through this chart that I have to my right is that during a number of periods of crisis in American history, we have accumulated more debt—that is, a more-than-average amount of debt—as a percentage of our gross domestic product.

We see various peaks, most of them following and brought about as a result of a major war and, in some cases, some other type of crisis.

We have the Revolutionary War. The Revolutionary War was fought and, mercifully, won, and our debt as a percentage of GDP went down.

It peaked a little bit a few years later when we had to fight the War of 1812. We won that war, too, and then debt as a percentage of our GDP went down. It remained low for many decades.

When we fought the Civil War, it peaked again. It went back to close to 40 percent of our gross domestic product. The Civil War ended, and it went back down.

It peaked again at World War I and then went back down. It peaked to a very significant degree at World War II and then promptly went back down.

See, through this period of time following World War II—the late forties into the fifties—we had a whole lot of revenue coming in. We weren't accumulating new debt, and we were paying off our debt at the same time that our economy was expanding.

Consequently, even though every year didn't result in a balanced budget, our debt held by the public as a Federal Government went down as a percentage of our gross domestic product.

But in each of these instances that I described, there was a reason; there was a distinct, unmistakable, finite reason why these things happened. Once those reasons went away, once we had won the wars in question, our debt as a percentage of our gross domestic product—that is, the volume of economic activity in America—went back down.

We saw a couple of other peaks. We had the Gulf war and a recession in roughly the same period. It resulted in an increase of debt as a percentage of GDP. That war ended, and that recession went away, and it went back down.

Something interesting has been happening. In the last few years, as we came out of the great recession, as we have enjoyed a very significant, historic recovery in our economy, the economy has been expanding, and jobs abound. The economy in which we now live has more people employed in basically every demographic than we would have considered likely a few years ago. Yet, notwithstanding that fact, our debt as a percentage of our gross domestic product continues to go up.

This graph in some ways even understates the matter relative to where we were at World War II. We hit the peak during World War II at, I believe, 106, 107 percent of gross domestic product. We are not quite at that level yet today by standard metrics, but if you include in this figure not only the debt held by the public—that is, the debt held by those who purchase U.S. security bonds and U.S. Treasury instruments generally—if you add to that the so-called intragovernmental debt, the IOUs the Federal Government has written to Social Security and Medicare to try to make up for funds that Congress wants access to but doesn't have, we are actually well over 100 percent in terms of our debt-to-GDP ratio. In other words, we are about where we were at the peak of the crisis we were addressing during World War II.

That begs the questions: When does this end? How does this end?

There is not a world war in which we are involved right now. We are experiencing relative peace. There is not a recession. We are in the middle of one of the greatest peacetime economic recoveries this land has ever seen.

So if not us, then who? And if not now, then when?

Why is it that we now have to suspend our debt ceiling in order to essentially transfer to younger Americans, to subsequent generations the responsibility of financing the government that we have today?

One can easily defend those things when talking about the survival of a nation or about a world war or about a war in which our Nation's survival is at stake. We are not involved in any such effort right now.

We are involved in some conflicts around the world, but those are not really what is driving this. What is driving this is that we have a government that is too big and too expensive.

This means a lot of things to a lot of people. It is something that should weigh on every American seriously. I believe it weighs especially heavily on younger Americans, not just younger Americans themselves, but people who have children and grandchildren.

I represent a State with the lowest median age in the entire country, the State of Utah. We are also the State with the largest percentage of people under the age of 18.

I would like to speak to some of those people right now—those people under the age of 18, especially in my State where they are disproportionately represented.

Young Americans, those who have not yet attained the age of 18, have had all this debt accumulate—some $22 trillion now by the Federal Government—that they are going to be responsible for, notwithstanding the fact that all

of that debt has been accumulated at periods in their life either before they were born or before they were old enough to vote.

It amounts to, in a sense, a really pernicious form of taxation without representation. We fought a war over that principle, and we won that war.

We shouldn't be doing this defiantly without a plan for turning it around, without a reason to have to do that—a reason that has to do with our very survival—without some sort of plan for getting out of it. But instead of getting out it, we are accelerating into it, and that is troubling.

Some might argue, and, in fact, some within this body and in the House of Representatives have argued that so-called discretionary spending is not worth worrying about. Discretionary spending, for those of you not familiar with the term, refers to that part of the government that Congress decides on each and every year that isn't predecided the way our entitlement programs are.

In other words, mandatory or entitlement spending, spending on things like Social Security and Medicare that are already set aside—those are things we don't have discretion over. They are already called for by law. We already have to spend money on them.

There are those in Congress who will maintain that we shouldn't worry about discretionary spending, which is the primary focus of this measure, of this budget caps deal, and of this debt ceiling deal, because, really, the bigger picture, the bigger concern, and the bigger threat is, in fact, about mandatory spending. It is the entitlement programs, they will say, that really are driving the looming debt crisis. But it is important to point out that we are not reforming those either. We couldn't even stick to the budget caps that both parties in both Houses and the White House agreed to just a few years ago.

It defies logic and reason, in my mind, for people to say: Well, we shouldn't worry about discretionary spending because mandatory spending is really where the problem is. No one would ever advise someone struggling with alcohol consumption that they shouldn't worry about consuming too much alcohol if they are also addicted to something else—meth or heroin or some other terribly addictive substance that might also be harmful to them. The fact that you are dealing with one problem doesn't mean that you don't also have to face the other problem. That is the concern I have with this deal. That is the reason I plan to vote against it.

I know and I will be the first to admit that there are no easy solutions here. There are no solutions that anyone would look to and say: Yes, that sounds like a lot of fun. I don't want to do that.

It reminds me of a time when my sister, Stephanie, was enrolled in a new school shortly after my family moved back to Utah. Stephanie was in kindergarten. Stephanie was asked by the teacher, as they were testing her to try to figure out which class she should be in, to take out her favorite color of crayon and write down her name. My mom watched from a distance as the teacher administered this test. She knew that Stephanie knew full well how to write her name. She watched in a certain degree of agony as Stephanie sat there and didn't pick up a single crayon.

After the test was complete and the teacher concluded, mistakenly, that Stephanie didn't know how to write her name, my mom asked her: Why didn't you write your name?

She said: The lady asked me to pick out my favorite color of crayon, and they didn't have pink. So I didn't write my name.

Sometimes I wonder whether Congress is in the same position as my sister Stephanie when she was at that young age being tested. We don't see our favorite color of crayon. We don't see our favorite option. We don't see any easy options there.

In fact, we see a whole lot of options that would involve putting a dent in this problem—this growing, building problem that I have pointed out in the graph—and we see criticism that would likely ensue from any one of those options. Now, I understand that. It doesn't mean that the laws of mathematics will not eventually catch up to us.

Winston Churchill is known to have said of the American people that the American people will always make the right choice after they have exhausted every other alternative. Now, I don't know whether he, in fact, said that. If he did, in fact, say it, I don't think he meant it as a compliment to the American people, but I take it as such. It is a compliment. It is what differentiates us from other countries. We do, in fact, make the right choice. We are great not because of who we are but because of what we do, and, generally, at least after we have exhausted other alternatives, we do make the right choice—a choice that reflects the principles of liberty that really have always defined us as a nation.

Those principles cannot coexist with an effort that suggests to us that our government is so big and has to be so big that there is nothing we can do about the fact that Americans are required to work weeks or months out of every year just to pay their Federal taxes and then be told that we are $22 trillion in debt. By the time the 2 years contemplated under this deal have passed, we may well be at $23 trillion, $24 trillion, or, perhaps, approaching $25 trillion in debt. Is it going to be any easier then to deal with the problem than it is now? I think not.

If not us, who? If not now, when? The way we start making steps in the right direction is to vote against a bill—a bill that, like this one, does not meaningfully address the problem.

I yield the floor.

The PRESIDING OFFICER (Mr. LEE). The Senator from Indiana.

DEBT CEILING

Mr. BRAUN. Mr. President, I have the good fortune every Thursday of sitting here anywhere from 3 to 6, depending on what the workload is. Since I have gotten here, as a Senator from Indiana, as a Main Street entrepreneur, almost everything I talk about is stuff that I have learned back in the real world.

Now and then, there will be a speaker here that breaks up the monotony of sitting there for that amount of time. My friend and fellow Senator, Mr. LEE, couldn't have said it more eloquently. You have a beautiful graph here to show the issue. I am going to take just a few minutes to reinforce what he said.

When I ran for Senate, I did it out of the frustration that it seems like only here in DC do we hear the same things year after year and nothing ever seems to change. I know the responsibility of leadership and trying to navigate through the system. But sooner or later, we have to simply say enough is enough.

This year, the President, I really think, wanted to shake the system up, I was hoping, like back in March of 2018, when there was a continuing resolution agreed to, to re-enable defense, which, in my opinion, is probably the most important thing the Federal Government should do. That might be the last time. As Senator LEE said: Look at the chart.

There was always a good reason in the past, and it was generally along the lines of defending our country. But the ethic back then should be what the ethic is now—like it is for every household, every State government, every school board, and especially every business—that you borrow money not to consume. That is called putting it on a credit card. In almost everything we do in the Federal Government, there is not a tangible asset to show for it. We are actually spending it and consuming it.

When you borrow money in any business, there is a difference between expenses and supplies and capital expenditures. We do not even talk about that.

I am going to accept the reality of the system today. I don't like it. I am going to vote against the bill as well. I have talked to my fellow Members that we need to, sooner or later, quit saying the same things. We need to, sooner or later, reform the system, to actually do things that are going to be different from everything we have done in the past that has led us to this.

How is it going to happen? We are going to need to have more Senators like Senator LEE, like myself, who get involved and make the case. But the only way this is really going to happen is if Hoosiers and Americans know you could never get by with this in your own household.