

our colleagues, the Government funding bill that we will be taking up this week does exactly—exactly the reverse of what the Biden administration asked for. This bill will significantly grow the baseline for defense and significantly cut the baseline for non-defense, nonveterans, after inflation, a big real-dollar increase in the defense baseline, and a big real-dollar cut for the nondefense, nonveterans baseline. This is an impressive outcome for the Republican negotiators; and, more importantly, it is the outcome that our country actually needs to keep helping Ukraine and our other friends, to keep out-innovating and out-competing Russia and China and to keep our brave men and women in uniform equipped with the best training tools and technologies the world has ever seen.

The administration's original version for the Federal budget—starving defense while shoveling cash into miscellaneous domestic spending—was so out of whack that Democrats in Congress actually joined us in rejecting it.

Then there was some discussion that Democrats might only agree to make sufficient investments in our Armed Forces if they got to jack up domestic spending even higher as compensation. Of course, that didn't make any sense either. The Commander in Chief's own political party does not get to take our troops hostage in order to demand even more unrelated goodies.

The Republicans' position all along was quite simple: Defending America and out-competing our rivals is a fundamental governing duty. It is the basic business that we are supposed to take care of, not something for which Democrats get special rewards. And that is precisely what is finally happening. Compared to where the negotiators started, we transferred huge sums of money away from Democrats' spending wish list, toward our national defense and Armed Forces, but without allowing the overall cost of the package to go any higher.

There is no question that an omnibus spending bill less than 1 week before Christmas is not the right way to run the appropriations process or the Senate Chamber. Things should be done differently—more responsibly, with more foresight and more planning.

And when Republicans controlled the majority, things were, in fact, done differently—more responsibly, with more foresight. When Republicans last controlled both chambers, we worked to conduct a more normal appropriations process. The subcommittees were more empowered to do their work. We worked to break things into multiple bills and move minibuses across the Senate floor before the 11th hour.

Instead, as Republicans spent this whole year calling on the Democratic leader to prioritize his basic responsibilities like government funding and the NDAA, this majority spent literally month after month chasing shiny objects while procrastinating on core duties.

So I share many of my colleagues' dissatisfaction with the dysfunctional Democratic-run process that has brought us here. But, unfortunately, as we stand here today, going back in time and forcing Democrats to spend the last 11 months running the Senate more responsibly is certainly not an option. From where we stand today, there are literally two options before us: No. 1, we can pass this bill, give our servicemembers and commanders the resources they need, flip the President's broken budget request on its head and actually cut baseline, non-defense, nonveterans spending in real dollars while we are at it; or we can fail to pass this bill and give our Armed Forces confusion and uncertainty while the Chinese Communist Party continues to help their military commanders pour money into new research and new weapons.

Between the two actual options before us, this is not a close call. The Senate should pass this bill.

NATIONAL DEFENSE AUTHORIZATION ACT

Mr. President, now in a related matter, last week, the Senate passed the National Defense Authorization Act, a landmark step forward for our Armed Forces. This year's bill was named for our distinguished departing colleague, Ranking Member INHOFE.

As I have discussed at length, this year's NDAA was a major step in the right direction to keep the U.S. the world's preeminent superpower. But another aspect that doesn't get enough attention is the ways that Congress's role in defending America also directly benefits military communities across each of our home States.

My home State of Kentucky is home to major Army installations like Fort Campbell and Fort Knox, the Kentucky Air and Army National Guard, and indispensable pillars of America's defense industrial base. This year's NDAA provides record resources for those Kentuckians who support and serve in our Armed Forces.

Of special note in this year's bill is its full funding of the Chemical Demilitarization Pilot Program at the Blue Grass Army Depot in Richmond, KY. If all goes according to plan, the Depot could wrap up its chemical weapon destruction mission by next year. That will be a landmark milestone in Kentucky history.

When I took office, many of America's most potent chemical munitions were languishing at the Richmond facility. Community activists were understandably concerned about the dangerous weapons in their backyard and asked me to help coordinate the massive effort needed to get rid of them. Working with these local leaders, I have spent the past four decades securing Federal funding for the chemical munitions destruction mission, and now the end of that project is within sight.

This year's NDAA also authorizes the feasibility study to help local authorities plan for the future of the depot

after—after the chemical weapons destruction mission wraps up. That study will identify opportunities to enhance Richmond's role as a defense logistics node and identify new missions for its world-class facilities once chemical weapons are gone.

That is just one of the many important initiatives this year's NDAA will support in the Commonwealth. Kentucky's servicemembers and military installations stand ready to protect America from its enemies.

The Defense bill also impacts a huge number of America's efforts for good around the world that don't always make top headlines. For example, I am glad this NDAA makes headway on behalf of the people in Burma and the decades-long struggle for democracy in that country, which I have been proud to support throughout my career.

Since Burma's military junta launched a coup in early 2021, the country has plunged deeper into catastrophe—more than 1 million people displaced; sham trials and executions; the extrajudicial torture and murder of many more; indiscriminate shelling and airstrikes against ethnic villages. Burma's former leader and my good friend Daw Aung San Suu Kyi is reportedly being held in solitary confinement following a sham trial at the hands of her deponents.

In the absence of strong international condemnation, the junta is literally getting away with murder. When Secretary Blinken visited Southeast Asia this summer, I called for less talk and more action. The people of Burma don't have the luxury of waiting around for American assistance.

Now, with the passage of the Burma Act as part of this year's NDAA, Congress is stepping up where the administration has dithered. This landmark bill mandates sharp sanctions against senior Tatmadaw officials and the state-owned businesses that keep their coffers full. It compels the administration to make decisions about whether and how to unravel the junta's lucrative grip on Burma's energy sector. It codifies U.S. support for organizations that actually represent Burma's people and authorizes new engagement with ethnic organizations that are defending the people against the brutal hand of the Tatmadaw as well as new nonlethal and humanitarian assistance for society organizations. It directs the President to improve coordination with America's allies and partners to increase pressure on Burma's illegitimate leaders and direct support to the people.

But Congress can only do so much through the legislative process. The ball is now in the Biden administration's court, and time is ticking away. Russia and other bad actors are actively courting the junta. The ongoing humanitarian disaster in Burma is already spilling over into neighboring countries. Congress has given President Biden the tools to institute sweeping sanctions against our adversaries

and generous aid for our friends. It is now up to the President to use them.

The ACTING PRESIDENT pro tempore. The majority whip.

CRYPTOCURRENCY

Mr. DURBIN. Mr. President, I come to the floor very briefly to make a note of an article that appeared this morning in the Chicago Sun-Times. The article relates to an opportunity that Terrence Duffy, who is currently the chairman of the Chicago-based CME Group, the Chicago Mercantile Exchange—Mr. Duffy, in his testimony before Congress and the Senate, has commented on the situation with the cryptocurrency exchange known as FTX and its former head, Sam Bankman-Fried.

We are all aware of what happened here. This is a situation wherein an individual capitalized on the cryptocurrency craze and became a billionaire. He was a young man who struck a different pose than most financiers. He spent his time wearing T-shirts and playing video games when he wasn't making millions of dollars with his crypto investment.

Many people were unfortunately drawn into his portrayal of what cryptocurrency could result in and lost their shirts. Mr. Bankman-Fried went from billionaire to bankrupt in a matter of 72 hours.

The question is, Should America have seen this coming? Should we have done more? That raises serious questions.

The purpose of entering this article into the RECORD is to make note of the fact that Terrence Duffy, with the Chicago Mercantile Exchange, forewarned us of this possibility.

The Chicago Mercantile Exchange is a major part of the economy of Chicago, of Illinois, and of the Midwest. It is an industry that has been established over decades, and it is a regulated industry. One might get the impression that regulation and success in business are antithetical, but in this circumstance, the Federal regulation of the Chicago Mercantile Exchange not only gives assurance of its integrity, it also enhances its reputation around the world—a lesson that the cryptocurrency world might learn.

If we are going to lead the world when it comes to financial investment, we have to assure the world that it is on the square, and the Commodity Futures Trading Commission, for one, which has the regulatory authority over the Chicago Mercantile Exchange, has set out on that mission successfully for decades.

I wanted to note the fact that when he appeared before the U.S. House Agriculture Committee in May, Mr. Duffy warned us about the dangers that were inherent to the FTX enterprise. He said at one point that he believed the proposal that Mr. Bankman-Fried was making to create his business model was fraught with dangers. Mr. Duffy called it at the time in May a "risk management light" that could destabi-

lize financial markets involved in cryptocurrency.

I am a member of the Agriculture Committee, and we may have some element of jurisdiction over this cryptocurrency industry as it relates to commodities. We have had one hearing wherein the chairman of the Commodity Futures Trading Commission came before us and made a presentation as to why he believed we had an opportunity and an obligation to regulate. I agree with him. If this cryptocurrency world is to continue with any credibility, it needs adequate authorization and regulation to make sure that the people who are investing in it are protected.

I have written two separate letters to Fidelity—a major financial house in Massachusetts—and raised questions as to their assertions that people should be allowed to include cryptocurrency in their retirement accounts. I am skeptical of an account, when you should be making conservative investments for your future, that enters into this high-flying cryptocurrency world, which, as we see from the experience of FTX, is fraught with danger.

There is a great effort underway by the cryptocurrency world to become major players in American politics. I discovered, much to my surprise, weeks after I had raised questions about the future of cryptocurrency, that FTX and Mr. Bankman-Fried had, in fact, contributed to me.

I was asked by a reporter: Have you received any contributions from this enterprise or industry?

I said: Of course not.

Then I looked to find I had. They had sent money unsolicited by me and unknown to me until 2 weeks ago. That money, of course, is going to be redirected to charitable enterprises and not to a political purpose for me or any of my staff.

It is an indication, though, that they have more money than friends in the cryptocurrency world and that they are trying to make sure they have plenty of friends in Congress and on Capitol Hill. It is the nature of our political campaigns that a massive amount of money is invested and spent. Oftentimes, candidates can't keep up with the blur of contributions and expenditures. Well, that happened to me when it came to FTX and Sam Bankman-Fried, and I think it might have happened to others.

So let's take care. If we are going to do our duty for the American people, we have to regulate this industry in a way to protect them from the disastrous results which we recently saw with FTX.

Mr. President, I ask unanimous consent that the Chicago Sun-Times article be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

[From the Chicago Sun-Times]

CME GROUP'S BOSS SPOTTED EARLY TROUBLE AT CRYPTO EXCHANGE FTX RUN BY SAM BANKMAN-FRIED

(By David Roeder)

Sam Bankman-Fried, who sold himself as a T-shirt-wearing, video-gaming whiz kid disrupting all things financial, has been arrested in the collapse of his FTX cryptocurrency exchange.

It's shaping up as the biggest scandal roaring through the markets since Bernie Madoff's Ponzi scheme and, irrespective of Bankman-Fried's guilt or innocence, it's making a lot of supposed sharpies look very bad.

They include funders such as Chicago-based private equity firm Thoma Bravo, the Ontario Teachers Pension Fund and Sequoia Capital. Sequoia published a glowing profile of Bankman-Fried weeks before it wrote off the value of its investment with him. It described how he Played League of Legends while on a call with the firm, taking that as a good thing. By some accounts, federal regulators were quite late on the case.

Many FTX backers issued statements after its Nov. 11 bankruptcy about the rigor of their vetting processes. It's puzzling how so many people with advanced degrees and powerful computer programs missed what John Ray III, the executive brought in to clean up the mess, called "just old-fashioned embezzlement. This is just taking money from customers and using it for your own purpose." Ray told Congress customers may have lost \$8 billion.

Clearly, none of the backers listened to early warnings from a Chicago business executive who knows something about risk management.

Terrence Duffy is the chairman of CME Group, the largest futures exchange in the U.S. It's the amalgam of the Chicago Mercantile Exchange, the Chicago Board of Trade, the New York Mercantile Exchange and other assets. He sounded alarms about possible problems with FTX early on and said in March he called Bankman-Fried a fraud to his face.

A week after the FTX implosion, Duffy went on the On the Tape podcast to elaborate on the conversation. It started with talk of a business deal but quickly turned sour when Duffy said it was clear FTX had no plan to isolate risk in crypto trading. "I said, 'Your model is crap. Why would I deploy a model that's going to introduce risk to the system?'" Duffy said on the podcast.

At the time, Bankman-Fried was said to be worth \$26 billion. As Duffy recounted it, "I said, 'My net worth doesn't start with any b's. I'll give you a 3 to 1 that I have more money than you.' I said, 'I'll tell you what, I'll give you a 4 to 1 I got more money in my right pocket than your net worth.' I said, 'You're a fraud, and I'm going to make sure that we get this out there.' And that was it. So we went to Congress."

It sounds like a South Side guy talking. Duffy is among the longest-serving chairmen in Chicago business, having gotten there without a wealthy background or an MBA. He grew up in Mount Greenwood, where his parents had a floral shop. He tended bar, including at She-nannigan's on Division Street, thinking of becoming a cop or firefighter.

His parents mortgaged their house so he could lease his first membership at the old Merc in 1981. He once said he paid them back in two years. On the trading floor, he made connections and earned people's trust. After serving on the exchange's board, he was named Merc chairman in 2002 and has led it through its absorption of the Board of Trade and transformative growth.