

Paul, a police officer, and Aimee, a nurse, heard the cries and paddleboarded to the victim. Heath, who was onshore, grabbed a surfboard and joined in the rescue. Even though there was blood on top of the water and a shark lurked under the water, all three heroes were undeterred, got to Steve, got him out of the water, and saved his life.

For their actions, the rescuers have been honored by the Red Cross and the Carnegie Commission.

Steve, although not yet doing triathlons, is walking and swimming again.

Today, Mr. Speaker, I honor all of them for the determination to fight in the face of danger; for their will to act, despite it being to their detriment; and fulfilling what it means to be a hero in our community on the central coast and in our country.

AIRPORT DELAYS AND CANCELLATIONS

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

Mr. HIMES. Mr. Speaker, once again, this morning, thousands of Americans found themselves in airports staring at delayed and canceled flights. This comes barely 3 weeks after tens of thousands of Americans, and many of my own constituents, missed the holidays because of the catastrophe on the part of the airlines, the airlines that got billions of dollars in this Chamber from the American people barely 2 years ago. This is how the airlines repay the support that this institution gave to them so that they could get through COVID.

Now, the private markets will presumably address the failures of Southwest and other airlines. What happened this morning was a failure of government. The Notice to Air Missions is a function of the FAA.

I would like to point out that after last week, when we heard constant cries for cuts to the budget, understand, my friends, cuts to the budget means that we underinvest in the infrastructure that my constituents were relying on this morning. As we think about the budget in the next 2 years, let's remember what happened this morning.

WHY THE FISCAL HOUSE OF THE UNITED STATES IS COLLAPSING

The SPEAKER pro tempore (Mr. Fry). Under the Speaker's announced policy of January 9, 2023, the gentleman from Arizona (Mr. SCHWEIKERT) is recognized for 60 minutes as the designee of the majority leader.

Mr. SCHWEIKERT. Mr. Speaker, I don't know if I can top my friend from California's great white shark attack or talking about airline delays, but we are going to do something that is particularly amusing and fun. We are

going to talk about why the fiscal house of the United States is collapsing.

For a number of folks who have watched my floor presentations, a lot of this is going to be familiar.

This is a primer, particularly for our new Members. Right now, we have hundreds and hundreds of new staff with the new Members here in the House of Representatives. Hopefully, on the thousand-some televisions around the campus where you have C-SPAN on, please, if you actually are interested, if you really want to understand how much trouble we are in, give me a few minutes of your time. Actually, give me almost an hour of your time.

Let's sort of walk through the reality. I am going to walk through some of the solutions that are absolutely wrong, and then we are going to talk a little bit about the reality of the math; and the punch line we are going to come back to multiple times, is really simple.

The primary driver of U.S. sovereign debt is our demographics. Those of us who are baby boomers, we got old. And the political class here, unless we are willing to tell the truth, there is no path to saving us from a failed bond auction, a failed debt crisis, a world where we all live dramatically poorer. And it doesn't have to be that way.

Look, I know I am a broken record, but damn it, somehow, we have got to get this to start to sink in. So let's actually walk through some of the reality.

I always start with this chart because it is just easy to get your head around. This is 2022.

Now, the funny thing is, it looks like 2023, the percentage that is mandatory, that means it is on autopilot. Members here, people like me, we won't vote on it. This is Social Security, Medicare, Medicaid. These things that are a formula.

This percentage actually went down in this budget year. It is not going down because we are spending less money; it is because we are spending so much more money on discretionary, it actually took several points more of the percentage of spending.

Now, a lot of that was one-time spending. We will fade back down, but you got to get your head around the majority. The vast majority of U.S. spending is what we call mandatory. It is entitlements. It is you get because you work so many quarters. It is because you turned a certain age, because you are a certain Tribal group, because you are a certain level of poverty, you get these benefits, and they are automatic. It is a formula.

And then over here, you see this little green part, that is discretionary. That is what we call nondefense discretionary. This is what everyone thinks of as government. That is your foreign aid, that is your FBI, that is the IRS, that is all of those things.

And here the blue, that is defense. I am going to show you in some charts

later, my brothers and sisters on the left, will often throw out rhetoric of cut out defense, get rid of it.

Believe it or not, it is not even enough money to keep us in balance. You could get rid of every dime of defense. There needs to be an understanding of reality. Your government is an insurance company with an Army. I know that sounds like trying to be somewhat humorous, but it happens to be the truth.

Think of it that way. So what is the primary drive, if I came to you right now and said, you are a new Member of Congress, you have made a passionate pitch to your voters that you are going to take on the deficit.

Did you stand in front of your voters and tell them over the next 30 years, 100 percent of the deficit is Medicare and Social Security? The rest of the budget, according to the Congressional Budget Office, actually has a positive balance.

Over the next 30 years, and this is based on the 2022 numbers, with inflation some of this is actually worse today. And we are not going to get the updated numbers till probably mid-February using the Congressional Budget Office.

Functionally, the shortfall of Medicare is about 75 percent of all of our borrowing. The shortfall of Social Security—and the reason you put that on there, understand, look at the Social Security actuary report. It is not Republican; it is not Democrat. These are people that actually own calculators.

With the COLA that was just given, you lost almost a full year of life. So there is this trust fund. Yes, it is Social Security money that we have paid in over the years. It is in loan to the Treasury. The Treasury gives special Social Security T bills and then when Social Security needs money, they cash them in with Treasury. Fine.

And then, actually, the Treasury goes out and borrows other money. That money runs out in about 10 years. Two years ago, I believe, the Social Security actuary report said, when the trust fund runs out, our brothers and sisters who are 65 and older or who are 62 and older or whoever are just taking a Social Security check will get about a 27 percent cut.

I think last year's actuary report said about 25 percent cut. It is based on—here is our projection of the revenue and FICA taxes we take in today, and then it goes out the door.

There is some data out there that says 10 years from now, unless we fix Social Security, you are going to double poverty among seniors. What is the moral aspect there? How many of this body are ready to actually deal with the political nightmare cascade of the trolls who lie—oh, excuse me—the politicians, trying to tell the truth about a multi-multi-multi-multi-trillion-dollar system that is out of money and the negative shortfall. You do understand, I think the model said like in the next 60 years, 65 years, it is like \$212 trillion short.

That is just the Social Security trust fund, and it is gone in about 10 years. It lost almost a full year of actuarial life with this year's COLA.

These are the things that we are here to fix instead of the trite crap we come behind these microphones and talk about. These are the things that destroy a society because it breaks our promises.

Don't laugh at me. My wife and I are both 60 and I have a 6-month-old. We adopted another child. When my 6-month-old is 25 years old, two things: We either blow up the debt and deficit, which we are probably going to do that, too, or double the U.S. taxes.

When he is 25 years old, we have to double corporate taxes, import fees, tariffs, everything else, every we call a receipt, we got to double.

It means top marginal rates like 70-something percent. That is just the Federal. Do you understand what these numbers mean? This was based on having \$114 trillion of borrowing in today's dollars, and these calcs were done before this inflationary cycle.

This is what takes down a republic. How serious is this body really about telling the truth about the math?

□ 1715

Let's walk through the fragility. Once again, I am doing this substantially for the new Members and the new staff here to understand what reality is. All day long, you are going to get pitched by people with shiny objects or: "I need you to regulate this so I don't get competition in my business in the home district." "I want some free money." "I want you to give me a grant." We get this inbound all day long.

We get the crazy conspiracy theory that has nothing to do with reality, and that consumes our time instead of thinking about this math and coming up with actual solutions.

We have come to this floor over and over with solutions, except it seems to terrify our brothers and sisters here because it means, A, telling the truth about the math, and then it means we have to do things really differently. You have to legalize technology. You have to legalize the disruption because it is not about changing who pays.

Before I do this, let me see if I can explain this. For my fans on the left who love ObamaCare, the ACA, understand that it is a financing bill. It just moves the money around. I get subsidized over here, but this group has to pay.

The brilliant Republican alternative was a financing bill. Now, we actually did a more elegant job of spreading it along the curve so you got some efficiency, but it was still a financing bill. It is who had to pay and who got subsidized.

Medicare for All is a financing bill.

None of those ideas in regard to healthcare change what we pay. They just move around who pays. Until the conversation becomes about what we

pay, you can't save us because the debt doesn't change.

With my very last board, I am going to do something that is a little cranky and a little mean. I am going to make fun of some of my own work, but I am going to tell the truth that a lot of times when we talk 10 years to balance, you do realize one of the things we are doing is saying we are going to take this portion of the spending and are just going to give it back to the State.

We are going to take this portion of the spending and make the users of Medicare, or users of this group, we are going to make the individuals pay. We are going to take it off the Federal books, but we don't change the spending as you would do the calculation as a percentage of the GDP, or gross domestic product.

That is what is so important here. Unless we legalize the disruption, and do this quickly—I had a meeting earlier in my office today with someone that is really smart. He has been here for a long time. He is a medical doctor. He is one of my favorite Members: DAVID, you have to go slower. People aren't going to embrace it. The bureaucracy is going to fight you. Do you know how many vested interests there are in the lobbyist class and down on K Street?

We are watching the numbers erode. I am going to show you a slide here that, structurally, 10 years from now, we may have a structural \$2 trillion a year deficit. That is the structural deficit, and half of that will be just interest.

Is this body ready to tell the truth about the math? Because the math will always win.

One of the other things that terrifies me here is that we are not telling the truth about the fragility of interest rates. I am going to do two or three slides here, but you start to look at what happens if interest rates are up. Rising interest rates could push up the national debt toward 300 percent.

Get this. If the mean interest is 3 points over what CBO projected last year, which, believe it or not, is actually closer to the mean of interest we have paid over the last 30 years, so we go back to what was normal for the last 30 years, we are at 345 percent of debt to GDP. It is all gone.

If you care about the poor, there is no more money for them. If you care about defense, there is no more money. Basically, every dime is just covering interest. Government is gone.

The fantasy that goes on around here of let's talk about shiny objects but avoid the real crisis ahead of us—I am going to show a bunch of slides that the Democrats' proposals of raising taxes doesn't work and a bunch of the Republican ideas of let's get rid of waste and fraud. We will get rid of foreign aid.

Do you realize every dime of foreign aid covers about 12 days of borrowing? Last year, we borrowed \$43,600 a second.

How much of the conversation here is about my little Matthew, who is 6 months old? What is his future like?

Does anyone here give a damn about your kids, your grandkids, your own retirement?

This is everything. This will take us down. Will this body take it seriously?

You start to look at the charts. This is where we are at right now. Understand, the CBO model is now starting to look at that 10 years from now, 2032. That may seem like forever, but it is 10 years. What were you doing 10 years ago? Do you remember? It wasn't that long ago.

We are heading toward a structural cost just over \$1 trillion, just in interest, just the interest cost. Now, add on another \$1 trillion interest in spending, and remember, in that 10 years, just Medicare and a portion of Medicaid go up \$1.1 trillion. The total budget 10 years from now goes up, I think, just a little less. The CBO model from a year ago was about \$2 trillion more that we are spending.

We take in about half a trillion-plus more on due tax receipts. It basically means you are heading toward a structural deficit close to \$2 trillion a year, and that is the baseline.

Now, how many of you ran for office here and said, "I am going to balance the budget"? Okay. Your structural deficit 10 years from now is \$2 trillion. What are you about to do? "I am going to move it to the States and let them pay for it. I am going to play a shell game. I am going to tell my voters it is waste and fraud. I am going to tell my voters I need to tax businesses more."

We got old. I am sorry, but go back to that second slide. Every dime of the borrowing for the next 30 years is three-quarters Medicare, one-quarter Social Security.

Look at the comments that will be on the video of this and people say: "Oh, that is not true. Get rid of Ukraine." Fine, strip it, but you just got rid of 12 days, 14 days of borrowing.

It is this lack of ability to do math here, but I am glad everyone gets their feelings satiated.

You have to understand this is the baseline we are at right now. Thirty years from now, half of all tax receipts go just to interest. In Ways and Means, we call it tax receipts, tax revenues, whatever you want to call it. Half of it.

There is a model out there that if we are 2 points higher than the CBO model, in 30 years—it actually comes closer to 25 years—all receipts, if we kept the same tax code so all the things expire, all the tax reforms, we go back to the bad old days, and we have 2-point higher interest rates, so that is still lower than the previous 30-year mean. Every dime of tax receipts in about 25, 28 years, every dime goes just to cover interest. There is no more government. We are nothing more than a bond house paying out interest.

Does anyone here understand this? Doesn't this make anyone nervous? Am I the only idiot getting up here and

trying to point it out, saying we are going to fall off the cliff? Does anyone else care?

This is the stuff that is real, but we are going to have a great conversation of virtue signaling probably over the next couple of weeks.

The math is out there for everyone. Anyone that is watching, just go to CBO, some of the other groups that give a darn about the debt. It is all over the charts. You can get emails every single day talking about what is happening and the differentials.

We all ignore it because it is really uncomfortable to go home and stand in front of an audience of your voters and tell them the truth because we have lied to them for so long.

The Federal Government has a spending problem. Now, this may not look like a lot, but you start to look at average tax receipts. I have two or three slides that if you ever want to argue this—I have done this with leftist groups trying to show when we raise taxes and when we lower taxes, we always get within a certain band of about 18 to 20 percent of tax receipts in as part of the size of the economy.

There is just this sort of law of physics and taxes. You raise taxes really high; the economy and growth slows down; you get 18 to 20 percent of GDP in taxes. You lower taxes; economy grows; you get about 18 to 20 percent in taxes to GDP. It is just about 100 years' worth of data, okay? It is what it is.

What is happening is our spending, you see this huge spike there. That is COVID. We went to crazy town. It became an excuse to fund every dream, every group, trying to buy the vote for you.

Then, you go back to our baseline, and that baseline grows and grows. You have to understand that spending here, in just about 10 years, crosses about 25 percent of the entire economy. Yet, our best model is we might be getting 18, 19 percent of the economy in taxes. That differential year after year buries us.

It is not falling revenues. Look at it. Even in the long term, the best CBO data still has us hovering around 19 percent of the economy in tax receipts, and it is within the mean of functioning since the 1960s.

There were years here where we had very high marginal tax rates, some years where we had very low marginal tax rates, and look at the band.

Do you see, if I go way out, if I go out to 30 years, our spending hits 30 percent of the entire economy? Thirty percent of the entire economy is spending, and every dime of this growth out here is demographics. It will be the shortfall of Social Security and Medicare.

Why is that so hard? It is not Republican or Democrat. We got gray. Look at my hair.

There are fixes. I have come here dozens of times. I have walked through innovative solutions that disrupt the price of healthcare, that disrupt the bureaucracy, that make us more efficient, that make us grow. We ignore

them because, it turns out, complex problems require complex solutions, and it is not one magic bullet.

I am sorry. Am I allowed to say “bullet”? It is not one magic solution.

It turns out you have to do a dozen things, and you have to do them all at once. Yes, you have to fix immigration. You have to legalize technology. You have to change the way bureaucracies work so that bureaucracies start using these supercomputers to collect data instead of making you fill out paperwork.

There are solutions out there, but damn it, this place needs to get rid of its 1990s solution and join this century.

I bring this board just to knock down one of my leftist friends who always said, “But you guys did tax reform, and you cut receipts.” We are taking in \$1 trillion more a year today than we did the year after tax reform.

It is spending \$1 trillion more today, so that is like a 25 percent growth in receipts, in revenues, in tax receipts post-tax reform within, functionally, 4 years.

Don't tell me it is the tax reform because the tax reform grew the size of the economy. Do you remember what it did to the Social Security trust fund? It saved us for a couple of years because there were so many people working.

Could you imagine if we hadn't had the tax reform when we hit the pandemic? Could you imagine, if we hadn't had that healthy economy, what the numbers would have looked like?

I am sorry, I know this is repetitive, but there is a reason I am saying it over and over. I am trying to break through to people who have never really thought about the truth of the math.

Eliminating every dime of defense, in the long term, does nothing. Think about that. Here is defense. Defense is going to be sitting around 2.7 percent of GDP, and we are heading toward a time where just Social Security and the healthcare entitlements out here are over 15 percent of the size of the economy.

□ 1730

So defense is under 3 percent of the size of the economy, just Social Security and the health entitlements are over 15.

Does anyone see the issue?

But, yet, I will have my brothers and sisters on the left say: It is defense, we need to cut it. Fine. It doesn't do anything. The scale of the dollars is so out of control, we have got to stop living in a fantasy world.

I know it is good politics. I know it is good virtue signaling. You get your reporters and constituents at home going: Yay, that is true. None of them own a calculator and if they do there are no batteries in it.

You have got to understand, entitlement programs—I don't like it when you call these entitlement programs; call them anything you want; call

them mandatory spending; Call them earned benefits, they are earned benefits—it is a societal problem. I don't give a damn what you call them, it is still about the spending.

You need to take a look at what it is driving. Over here is the growth over those years: defense, just Social Security, other mandatory, Medicare, all these, the growth in these mandatories here.

How many Members here are bold enough to tell the truth?

Because when you tell the truth on this stuff you get attack adds, you get groups that raise money, lie about it, beat the crap out of you if you are a Member of Congress. I can't talk about that, David. In that case, you can't actually talk about the debt and deficits.

Medicare. Medicare. Medicare. Much of my life I have done healthcare finance. As a child, I was in my State legislature for a couple terms and I was working on our Medicaid system. Even then, you'd have the experts come sit you down, and say: You do realize how much trouble we are in.

Well, here we are 30 some years later. Look at the curve. The curve. This isn't that long from now. We are looking at numbers that are only functionally a decade from now. This drives all policies. If you are a Member and say: I care about the environment.

Where are you going to get the money?

I care about defense.

Where are you going to get the money?

Healthcare is consuming everything.

I believe CBO in a couple weeks is going to update these numbers and they are going to look much uglier. We have some of the back-of-the-napkin math we have done with the Joint Economic Committee, but I used last year's CBO number for this chart.

Here is my point, once again: Over the next decade there is functionally a trillion dollars of additional spending on Medicare. If you add in Medicare and Medicaid, it is one-something. Take a look here. When you get out here, this is a \$1.1 trillion increase, that is nine budget cycles from now. It is not 10 years. It is nine budget cycles from now.

So if I came to you and you saw the earlier chart, it said, okay, a decade from now if the nominal interest rates stay where they are at, our interest cost is \$1 trillion a year a decade from now. Now my additional spending on Medicare and Medicaid is an additional trillion dollars.

Does anyone start to see where a structural deficit of \$2 trillion a year is?

Now, you promised your voters you are going to balance the budget.

What are you going to do?

Just stop paying the interest on our debt? Okay.

Stop paying Medicare? Stop paying Medicaid? Fine.

How about Social Security?

Because remember, 10 years from now the trust fund is gone. Our brothers and sisters who are on Social Security that rely on it are going to take what, around a 25 percent cut.

Are we going to let that happen?

It is coming. The math is real. You can't pretend it away. And you start to look at some of the lunacy that we get from our friends on the left. Oh, let's just tax more. Even a 100 percent tax rate on small businesses and upper-income families, you can't even come close. So take all their money, and just assume that you live in some magic fantasy world where everyone keeps working. Let's live in fantasy.

This is what you get. My spending in 30 years is—my borrowing is about 12.4 percent of GDP. If I take every dime of someone who makes \$500,000 or more, the next dollar, we just take it, you get about 5 percent of GDP, and that is pretending people would keep working. The math is the math, and we need to stop lying.

Look, if you don't believe me, you go look up CBO. Go to Brian Riedl, Manhattan Institute, he does a beautiful job of taking OMB data, CBO data, some of the others out there, and puts it on charts so that it is absorbable. He walks through all of your solutions.

What if we repeal the tax cuts and raise the taxes on low-income people?

How about if you get rid of every tax idea that is out there?

All the Democrat solutions. You still fall incredibly short. You get a fraction of what is required. You go on some of the other solutions that have been offered. No easy pay-fors for Social Security or Medicare programs. Everything falls short. I need more than 6 percent of GDP. And if I take almost every solution, I only pick up a fraction of that. The math is the math, and the math will win.

Now, here is the point where I am going to make some of my own friends on my side a little cranky; I am going to tell the truth. Many of the solutions we run around here and tout: We are going to balance in 7 years. We are going to balance in 10 years.

Do you understand the fraud?

We say: Well, we are going to cut Medicare. Okay. We are going to shift it to the individual. We are going to do this. We are going to take Medicaid and we are just going to cut our spending because we handed it back to the States. They are shell-gaming the math. They are not willing to actually tell the system we are going to legalize technology.

This exists today. The thing that looks like a large kazoo, you can blow into it, it tells you you have a virus. It bangs off your phone to know you are not allergic to certain antivirals, and orders your antivirals, allowing that algorithm, that technology, to write a prescription.

You can't do that?

Why?

Do you know anyone with a diabetic pump?

All day long that algorithm is prescribing to them.

We have got to get this out because if you can't have that type of technology disruption—my other idea is a much grander theory.

Five percent of our brothers and sisters who have multiple chronic conditions are over half of our healthcare spending. We are in the time of miracles where we are seeing cures. We, as a body, need to basically do an Operation Warp Speed as a way to save ourselves from our own crushing debt. Bring those cures.

If it is true that a San Diego company—which has just been bought up and was working with CRISPR—has now cured about a half a dozen people of type 1 diabetes—and we are trying to bring out one of their researchers to come talk to us in February—if it is true, if there is just the slightest opening of a door, there is a path there.

I know that is type 1. I know type 2 we have our health issues. What we do in our farm bill—the fact that so much of our society has become almost self-destructive with obesity—yes, I may have just hurt your feelings—but dammit, when government has to pay 70 percent of all healthcare costs, we as a society should care.

I represent the population of probably the second highest per capita diabetes in the world, one of my Tribal communities in Arizona. When I meet people who are blind in that community, who have lost parts of their feet, is that compassion?

So what would happen if we can marry up legalizing the technology that will make your life easier and more convenient and make you healthier?

Yes, it means that you don't walk into the urgent care center, because you have a breath biopsy in your home medicine cabinet. Legalize the technology.

Then we push as hard as we can, if we are in the age of miracles, cure, cure, cure because that is more moral and compassionate. And, dammit, it has an amazing effect on U.S. debt.

Do you remember how many times I showed you that 31 percent of all Medicare spending is related to diabetes? What would happen if you cut half of that?

Yes, it is lifestyle. Yes, it is what people eat. Yes, it is exercise.

What would happen if we can give people back islet cells that produce insulin again?

We found a way to cure hepatitis C. When I first got here, this body was getting ready to try to figure out how to have hundreds of thousands of people get liver transplants, and it was going to bankrupt Medicaid systems all over the country. Then someone came up with a hepatitis C cure. It was really expensive, and we bitched about the cost of it, except for the fact that it cured them. And 7 months later there was a second drug that crashed the price.

Was that moral?

Of course it was.

Was it really good economics?

Was it just compassion?

Yes.

I need this to become part of our lexicon that the solution is disruption through technology. Optionality. But it is also the morality of we need to push those cures out because it is really good economics.

Instead of giving lists of things of here is how we are going to cut the debt and deficit, we are just going to shift it to someone else to spend.

Is this body—and particularly to the freshmen and the freshmen staff that I have been trying to talk to with this speech—this will be the most important stuff you deal with in your time here. It is not the shiny object that may get you on FOX News tonight. It is not the shiny object that gets you applause when you go into your town-hall meeting. Oh, we did this.

This stuff is hard. It is complicated. You are going to be lobbied like a war. They are going to spend money in your district beating the crap out of you because you are taking away their money.

It also saves this country and gives my little Matthew, who is 6 months old, a future. That is the morality.

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

HOUR OF MEETING ON TOMORROW

Mr. SCHWEIKERT. Mr. Speaker, I ask unanimous consent that when the House adjourns today, it adjourn to meet at 9 a.m. tomorrow.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Arizona?

There was no objection.

THE JOB OF A CONGRESSPERSON

The SPEAKER pro tempore. Under the Speaker's announced policy of January 9, 2023, the Chair recognizes the gentleman from Texas (Mr. Roy) for 30 minutes.

Mr. ROY. Mr. Speaker, I appreciate the comments from the gentleman from Arizona. As he so often does, in outlining the extent to which we have significant fiscal challenges that could be met with the kinds of reforms that we don't often talk about: the need to reform healthcare policies, healthcare decisions, and things that get well beyond the rhetoric of balancing budgets, on that he and I agree enormously.

I look forward to engaging with him on the floor of the House and other places on that topic again. But I do want to say one thing that is true about what the gentleman from Arizona was talking about with respect to addressing mandatory spending, reforming so-called entitlements with respect to Social Security and Medicare, and otherwise reforming those complex areas of our government. If you can't tackle discretionary spending, you are