

but you would be wrong. President Biden wants to take the inflated budgets of the past 3 years as his new baseline, and then the President is proposing \$6.88 trillion in spending next year—a 54-percent increase over 2019 levels. And then—and then—he is proposing increased spending every year until the Federal budget reaches an eye-popping \$10 trillion in 2033—\$10 trillion in 2033.

Again, let me just remind people that the entire Federal budget in 2019—just a few short years ago—was \$4.4 trillion. President Biden wants to more than double that—\$4.4 trillion to \$10 trillion.

This level of spending and the accompanying level of debt would present a serious danger to our financial stability going forward. The President's budget all but ensures that the size of our national debt would be larger than the size of our economy. In other words, we would owe more money than our entire economy produces. These levels of spending could easily prolong our inflation crisis for years to come.

But the economic dangers of the President's budget don't end there. At the same time the President is essentially ensuring an unsustainable level of debt going forward, he is also planning to load up the economy with \$4.7 trillion in tax hikes, and that is not counting some of the tax hikes that would result from allowing provisions of the Tax Cuts and Jobs Act to expire. He plans to undo much of the good work done by the 2017 Tax Cuts and Jobs Act, which helped grow our economy and improve opportunities for American workers.

Under the Biden tax plan, American businesses would become less competitive in the global economy, investment would be discouraged, and Main Street job creators and family-owned businesses would face a higher tax burden, which would make it more difficult for them to grow, expand, and create jobs.

I said earlier that one of the things we could do to ease our inflation crisis and drive down prices is increase American energy production. Well, President Biden's tax plan would discourage American energy production by hiking taxes on oil and gas companies, and not for the first time during his Presidency. Instead of lowering energy prices, the President's plan would likely drive them up even further with all the new taxes.

The problems with the President's budget go on and on. While the President has no problem driving up spending to a staggering \$10 trillion per year by 2033, somehow very little of that money gets put toward priorities like securing the border and defending our Nation.

For next year, the President is proposing an increase in defense spending that fails to keep pace with current levels of inflation, meaning that his supposed defense spending increase would actually be a defense spending cut.

The Department of Homeland Security would see an outright spending cut

next year. Despite the security and humanitarian crisis wreaking havoc at our southern border, the President is proposing barely any additional funding for U.S. Customs and Border Protection and Immigration and Customs Enforcement next year, but somehow—somehow—the President managed to find a 15-percent increase in funding for the IRS. Think about that. That is from the 2023 enacted budget for the IRS, over and above the \$80 billion funding increase the IRS got just last August. Think about that. Last August, the IRS got \$80 billion and 87,000 new employees. Yet, this year, under this President's budget, they are not only going to get all that funding and a massive influx of new employees but a 15-percent year-over-year increase in spending on the IRS at a time when defense spending is going to be 3.2 percent below the rate of inflation. You can't make it up.

It doesn't stop there. The President's budget would also provide an additional \$29 billion to the IRS to "continue [Inflation Reduction Act]-funded enforcement and compliance initiatives."

I guess maybe what the President is thinking with respect to all of this is that he will need more IRS agents to administer all the new tax hikes that are included in his budget proposal. It is extremely disturbing that the President's tax-and-spend agenda is taking precedence over the national security imperative of securing our border.

President Biden's budget is the wrong prescription for our country. It would shrink our economy, prolong our inflation crisis, and essentially guarantee unsustainable levels of debt.

The American people had a rough couple of years under the Biden administration, and the President's budget would be almost guaranteed to prolong their economic pain well into the future. I hope Democrats, as well as Republicans, will recognize this and quickly consign the President's budget to where it belongs, and that is to the dustbin.

I yield the floor.

I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The senior assistant legislative clerk proceeded to call the roll.

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

The PRESIDING OFFICER. Without objection, it is so ordered.

(The remarks of Mr. KAINÉ pertaining to the submission of S. 801 are printed in today's RECORD under "Submitted Resolutions.")

Mr. KAINÉ. I yield the floor.

The PRESIDING OFFICER (Mr. HICKENLOOPER). The Senator from Louisiana.

Mr. KENNEDY. Mr. President, I ask unanimous consent to speak for up to 30 minutes prior to the scheduled roll-call vote. I do not think I will have an issue, but out of an abundance of cau-

tion, I ask unanimous consent for that, please.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. KENNEDY. Mr. President, I do appreciate Senator KAINÉ's remarks. He has highlighted a serious problem for many Americans. We don't completely understand it. I have every confidence in our medical community and our research and development community that we will figure it out, but in the meantime, there are a lot of Americans suffering, some silently, and I appreciate Senator KAINÉ highlighting this issue.

BANK FAILURES

Mr. President, I want to talk for a few minutes about President Biden's bailout of the three banks that went under.

When I ran for this office in 2016, I observed at that time that one of the problems in America was that we had too many undeserving—I emphasize "undeserving" because I don't want to paint too broad of a brush—we had too many undeserving people at the top in America getting bailouts, and we had too many undeserving people at the bottom getting handouts, and the rest of America—most of America in the middle—was getting the bill, and I didn't think that was fair. Apparently, it is still the case today, and I still don't think it is fair.

Now, President Biden chose to bail out three of our banks. It was a bailout. You can pretty it up any way you want to, and you can put perfume on a pig, but it still smells like a pig. This was a bailout. It was a bailout for two reasons. No. 1, except for the people who own the stock in the banks and their unsecured creditors, President Biden and his regulators guaranteed that nobody affiliated with these banks would have any losses. And he said that is not a bailout because money is not being provided by the American people; it is being provided by all the other banks in America.

Well, Mr. President, you know as well as I do there is no money fairy. There isn't anything free. Anything free, somebody had to work for.

By taking the hit—all the banks in America, now, I am referring to—banks are taxpayers. That is point one. But point two, those banks—all the banks in America that are going to have to pay for the President's bailout—they are just going to pass on those costs, including but not limited to their depositors. And, the last time I checked, most depositors and banks in America were taxpayers as well.

The second reason President Biden's bailout is a bailout—and this is in the fine print—is that he has set up, I think it is, a \$25 billion fund that other banks that are in trouble can borrow from. And this fund, he says, does not come from the American people. It came from the banks. Once again, the costs of it will be passed on by the banks to the depositors, to the taxpayers.

But this \$25 billion fund that banks that are in trouble can borrow from is set up as follows. The banks can borrow money as they need it, and as collateral they put up their securities.

So the President says that is a safe bet. Except, when you read the fine print, you find out that the securities that the banks put up as collateral to borrow money from the American people are not what is called “mark to market.” The securities are not put up at their real value. They are put up at the value at the time they were purchased.

So if you bought a security that was—let’s say, to make it simple—\$20, and it is owned by a bank and it is now worth \$5, you give that \$5 to the \$25 billion fund, and you get credit for \$10. But it is really worth only \$5. I mean, it is a bailout, and I am not going to bubble-wrap it, and I don’t think we ought to try to bubble-wrap it to the American people.

Now, let me say a word about Silicon Valley Bank. All the bank failures were an abomination, but I think Silicon Valley Bank is symptomatic of the problem among all three.

SVB we call it, or Silicon Valley Bank. First of all, Silicon Valley Bank was not broke. It was not an insolvency problem. It wasn’t insolvent. Silicon Valley Bank had a liquidity problem.

I mean, here is what happened. Silicon Valley Bank took in a whole bunch of deposits on which they were paying an interest rate. And then Silicon Valley Bank took that money and went out and bought a bunch of securities, paying a higher interest rate than Silicon Valley Bank was paying the depositors.

You say: That is pretty smart.

There is just one problem. The securities that Silicon Valley Bank bought were very sensitive to interest rates, and, as interest rates went up—and they have—the value of those securities went down if Silicon Valley Bank had to sell them.

And, sure enough, Silicon Valley Bank got itself in the position of having to sell them, because a lot of its depositors got scared about the bank’s position, and other reasons, and said: We want our money back.

And Silicon Valley Bank didn’t have the money because it had to go sell these securities at a loss, and that put it at risk. That is why it had a liquidity problem that could have been fixed. It wasn’t broke.

President Biden’s bailout could have been easily avoided if we had done—let me put that another way—if three things had happened, not all three but any one of the three things I am about to explain.

Let me say that again. President Biden’s bailout could have been avoided if one or more of three things had happened: No. 1, if the management of Silicon Valley Bank had known the difference between a banking textbook and an L.L. Bean catalog, Silicon Valley Bank would have never bought se-

curities that are so sensitive to interest rates without hedging that risk. And it is a very easy thing to do.

Honestly, it is banking 101. If you buy securities to back your deposits that are very sensitive to interest rates, there are other securities you can buy to hedge that risk so you don’t take the risk.

I am appalled. The bankers at Silicon Valley Bank didn’t do it. I mean, it was bone-deep, down-to-the-marrow stupid.

No. 2, OK, Silicon Valley Bank management did it. It was like a rock, only dumber, but they did it. The regulators didn’t catch it. There has been a lot of talk that Silicon Valley Bank wasn’t being regulated because of a bill passed back in 2018 and 2019. That is not true. Silicon Valley Bank was heavily regulated. It had to file regular reports with the Federal banking regulators. It was subject to stress testing. It was subject to liquidity stress testing. All the regulators had to do was read the reports that Silicon Valley Bank was submitting, and they would have seen the problem.

Do you know who solved the problem? Way back in November and October, stock analysts in the private sector that were covering Silicon Valley Bank warned—way back last fall—they said: Do you know what? This bank is setting itself up for a potential liquidity problem.

The private sector knew it. Where were the regulators? Where were they? You couldn’t have found them with a search party. I guess they were asleep. But this whole debacle could have been avoided if the regulators had just done their job and stepped in and said: Silicon Valley Bank, what you are doing is dumb, and you can’t do it anymore. That would have avoided it.

The third thing that could have avoided President Biden’s bailout—I think the bank went under on a Friday, as I recall. The Federal Reserve, the Secretary of the Treasury, the head of the FDIC, and all of the other regulators allowed the bank to go under, instead—instead—of getting on the telephone and calling other banks and saying: I have got a situation here with Silicon Valley Bank. It is not insolvent. It is just illiquid. We want you to buy it.

That is what normally happens, and that is all the regulators had to do.

Now, why didn’t they do that? There has been a lot of talk about, well, they had an auction for the bank and nobody wanted it. That is not true. There were buyers. But the problem was that the people at the FDIC do not like bank mergers.

Some bank mergers make sense. Some bank mergers don’t make sense. In this case, it would have made extraordinary sense.

And so the folks at the FDIC stalled and restalled, and then we had mass panic. Think back to the bailouts in 2008 and 2009. If you are a banker and you get a call from the Secretary of the Treasury, the head of the Federal

Reserve, and the head of the FDIC saying: Can we sit down and talk with you and structure the terms by which you would buy this illiquid but still solvent bank, you are going to take that phone call.

The regulators didn’t do that, and all of this could have been avoided. If we had done any one of those three things—any one of those three things—this mess could have been avoided.

With that, I yield—well, let me make just one last comment. I am going to say it again. In 2016, in America, we had too many undeserving people at the time getting bailouts, and we still do today.

I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

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

The PRESIDING OFFICER. Without objection, it is so ordered.

VOICE ON NEIMAN NOMINATION

The question is, Will the Senate advise and consent to the Neiman nomination?

Mr. KENNEDY. I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There appears to be a sufficient second.

The clerk will call the roll.

The legislative clerk called the roll.

Mr. DURBIN. I announce that the Senator from New Jersey (Mr. BOOKER), the Senator from California (Mrs. FEINSTEIN), and the Senator from Pennsylvania (Mr. FETTERMAN) are necessarily absent.

Mr. THUNE. The following Senators are necessarily absent: the Senator from Wyoming (Mr. BARRASSO), the Senator from Texas (Mr. CRUZ), and the Senator from Kentucky (Mr. McCONNELL).

The result was announced—yeas 54, nays 40, as follows:

[Rollcall Vote No. 54 Ex.]

YEAS—54

Baldwin	Hickenlooper	Rosen
Bennet	Hirono	Sanders
Blumenthal	Kaine	Schatz
Brown	Kelly	Schumer
Cantwell	King	Shaheen
Cardin	Klobuchar	Sinema
Carper	Lujan	Smith
Casey	Markey	Stabenow
Collins	Menendez	Tester
Coons	Merkley	Tillis
Cortez Masto	Murkowski	Van Hollen
Crapo	Murphy	Warner
Duckworth	Murray	Warnock
Durbin	Ossoff	Warren
Gillibrand	Padilla	Welch
Grassley	Peters	Whitehouse
Hassan	Reed	Wyden
Heinrich	Risch	Young

NAYS—40

Blackburn	Cornyn	Hagerty
Boozman	Cotton	Hawley
Braun	Cramer	Hooven
Britt	Daines	Hyde-Smith
Budd	Ernst	Johnson
Capito	Fischer	Kennedy
Cassidy	Graham	Lankford