

This is a great body. We have great people whom I deeply admire on both sides of the floor. There were Senators, who are now gone, on the other side of the floor whom I deeply admired. Never have we had, as far as I can remember in my 38 years, this type of stultification of free and fair and open debates. It is a disgrace. I think they know it is a disgrace, but they don't care; they are more interested in power than they are in doing what is right.

The way they have singled out various conservative individuals by name on the floor is deeply troubling to anybody who is fair. The fact is the Democrats have never liked money. They try to blame Wall Street for everything, but Wall Street is run primarily by Democrats. We do have an occasional Republican up there, but an awful lot of them are Democrats who are giving big dollars to the Democratic side. They have a right to do it if they want to without being demeaned on the Senate floor. I hope we will have not only free and open debate, but that we will have better and more honest debate in the future.

Madam President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

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 Madam President, I ask unanimous consent that the order for the quorum call be rescinded.

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

#### DEFENSE ACQUISITION REFORM

Mr. MCCAIN. Madam President, as consideration of the National Defense Authorization Act for fiscal year 2015 proceeds in earnest, and with the recent release and annual assessments of the Department of Defense major procurement programs by the Government Accountability Office and the Pentagon's Director of Operational Testing and Evaluation, we are, once again, reminded of the DOD's chronic inability to rein in costs associated with its largest and most expensive weapon and information technology systems.

This is, of course, a problem the DOD—the Department of Defense—has struggled with for years. During every one of these years, I brought this problem to the attention of the American people, both in the Senate Armed Services Committee and here on the floor of the Senate.

So I need not go over again the frustrating litany of costly procurement failures at the Department of Defense. At this point we are all aware of the future combat system, the Army's "transformational" vehicle and communications modernization program, in which the military and the U.S. Army wasted almost \$20 billion developing 18 vehicles and drones, only one of which actually went into production. In other words, they blew \$19 billion. As had been done on other pro-

grams, on the Future Combat Systems, the Army held a "paper competition" to select contractors far in advance of fielding any actual prototypes. But it awarded control to two separate companies and let them, not the government, hold their own internal competitions to determine who would test and build the vehicles and systems—encumbering the program with a dizzying array of conflicts of interest and preferred-supplier preferences that chipped away at the program from the inside out.

As for the Air Force, its Expeditionary Combat Support System—the ECSS program—wasted over 1 billion taxpayer dollars attempting to procure and integrate a "commercial off-the-shelf" logistics IT system. That effort resulted in no usable capability for the Air Force, and taxpayers were forced to pay an additional \$8 million in severance costs to the company that failed in its mission. The Marine Corps, in turn, spent 15 years and \$3 billion on its Expeditionary Fighting Vehicle before canceling the program in 2012—another \$3 billion down the drain.

While there are so many other failures, we shouldn't forget the VH-71 program—the presidential helicopter program—with which the Navy attempted to procure a new presidential helicopter. Before that program's cancellation in 2009, taxpayers were forced to pay \$3.2 billion and got exactly zero helicopters.

Our "joint service" programs have also faced profound difficulties. Even though the Department of Defense has not completed development testing on the F-35 Joint Strike Fighter, that program is already well into production, exposing it to the risk of costly retrofits late in production.

While today the Joint Strike Fighter Program is on a more stable path to succeed, during a recent Airland Subcommittee hearing on tactical aircraft programs, I asked the head of the program, Lt. Gen. Chris Bogdan, what lessons the DOD learned from that program's costly failures. By the way, it is the most expensive weapons system ever—a \$1 trillion weapons system. He identified three lessons: the danger of overly optimistic initial cost estimates, the importance of reliable technological risk estimates, and the complexity and costs of building next-generation planes while still testing them.

That is, of course, a post mortem that we are all very familiar with, including on some of the failed acquisition programs to which I just alluded. For that reason, Congress enacted the Weapon Systems Acquisition Reform Act of 2009. That law instituted reforms to make sure that new major weapons procurement programs start off right, with accurate initial cost estimates, reliable technological risk assessments, and only reasonable "concurrency," and stable operational requirements.

While the Government Accountability Office found this law had a "sig-

nificant influence" on requirements, cost, schedule, testing, and reliability for the acquisition of new major weapons systems, there is still much to do, especially on the so-called "legacy" systems already well into the development pipeline. According to the Government Accountability Office, the cost of the Pentagon's major weapons systems—that is 80 systems in total—have swollen to nearly one-half trillion dollars over their initial price tags and have average schedule delays of more than 2 years.

I will repeat that for the benefit of the Pentagon, my colleagues here in the Senate, and the American people. The Government Accountability Office says the cost of the Pentagon's major weapons systems, of which there are 80 in total, have swollen to nearly one-half trillion dollars—that is T, trillion dollars—over their initial price tags—their initial cost estimates—and have average schedule delays of more than 2 years. That is not acceptable. That is not acceptable to the American people, it should not be acceptable to Members of Congress, and it sure as heck shouldn't be acceptable to the people who are responsible for these cost overruns. That is the Pentagon and that is these manufacturers.

Against this backdrop, I will briefly discuss two critical aspects of how the Department of Defense procures major systems—real competition and accountability. In my view, it is no coincidence that the period of remarkably poor performance among our largest weapons procurement programs has coincided with a dramatic contraction in the industrial base, due, in large part, to consolidation among the Nation's top-tier contractors. For this reason the Department of Defense must structure into its strategies to acquire major systems true competition—not like fake competition—as we saw in the Future Combat System or as proponents for an alternate engine for the Joint Strike Fighter once advocated. According to the Government Accountability Office, in fiscal year 2013, only 57 percent—I repeat, 57 percent—of the \$300 billion the Department of Defense obligated for contracts and orders was actually competed. In other words, only in a little over half of the \$300 billion—roughly \$150 billion—in contracts and orders was there actually any competition. Unacceptable. Competition should be driven through the subsystems level, and it should be reflected in approaches that foster innovation and small business participation throughout a system's entire lifecycle.

Especially within the Navy's "shipbuilding and conversion" account and the Air Force's "missile procurement" account, costs associated with the Ohio-class replacement submarine and the Evolved Expendable Launch Vehicle—that is our space effort—those programs respectively, will severely presurize other procurement priorities within these same aspects of Pentagon spending.

So within these particular areas, harnessing competitive forces to drive down costs and keep them down will be enormously important. There can, however, be no doubt that during a year of declining budgets and, therefore, fewer opportunities to support an already diminished industrial base, this will be extraordinarily difficult. So we should be embracing competition—even the prospect of it—wherever and however we find it.

In the Littoral Combat Ship Program, the Navy's strategy to bring competition into the construction of the follow-on ships' seaframes successfully drove down those costs after the cost to complete construction of the lead ships' seaframes exploded—the costs exploded. While doing so resulted in a dual-award block-buy contract, which I thought, and continue to think, was ill-advised, and serious problems persist with the Littoral Combat Ship's mission modules—in other words, the ship's ability to carry out its assigned missions—there can be no doubt that competition was just what the program needed.

After having found in 2012 that competition for the Evolved Expendable Launch Vehicle, i.e., our space program, could lower costs for the government, the Government Accountability Office reiterated the importance of competition generally in a report released today, stating that, “[c]ompetition is the cornerstone of a sound acquisition process.”

Remember those words by the Government Accountability Office, as I go on: Competition is the cornerstone of a sound acquisition process.

It is exactly for this reason I have been concerned with what I have seen in the Evolved Expendable Launch Vehicle, a critical national security space launch program. In the absence of competition and amidst a highly suspect effort to minimize internal Pentagon and congressional oversight of the program, which I corrected just a couple of years ago, the costs of this program have exploded. There are higher inflation costs for this program than any other program in the entire program. Only after that program critically breached cost thresholds under Federal law—the so-called Nunn-McCurdy—in other words, after the inflation of the costs were so high Federal law threatened its existence—did the Department of Defense finally recognize the value—indeed, the need—for competition.

Yet despite a directive by the Under Secretary of Defense for Acquisition, Technology, and Logistics to the Air Force to “aggressively” introduce competition into the program, and just weeks before the Air Force knew—the Air Force knew—that a prospective new entrant to the program would qualify as a bidder, the Air Force awarded a 3-year sole-source block-buy contract to the incumbent contractor. Just weeks before they knew there would be competition, they allowed and awarded a program to the one bid-

der, sole source, at a huge cost. The Air Force did so in a way that exposed only those launches designated for competition to the greatest risk of delay or cancellation. Then, just a few weeks ago, in connection with its budget request for fiscal year 2015, the Air Force proposed to cut the number of launches designated for competition in half. They gut the number of launches designated for competition to half, in part to satisfy the Air Force's existing obligation to the incumbent contractor under the sole-source block-buy contract.

Why the Air Force made all those decisions in that program, which so desperately needs competition, is unclear. But the evidence of incumbency favoritism I have seen to date was strong enough for me to refer the matter to the Department of Defense Inspector General for investigation. That favoritism apparently extended to the DOD's failure to ensure that the incumbent contractor's efforts to import rocket engines from Russia—we are importing rocket engines for our space launch program from Russia in a non-competitive contract—did not run afoul of the President's Executive order sanctioning certain Russian persons in connection with Russia's activities in eastern Ukraine. It took a prospective bidder—not the Pentagon, but a prospective bidder; that is, a possible competitor—to file a lawsuit in Federal court to ensure compliance with the President's Executive order. We all look forward to the inspector general's findings.

In addition to the EELV, I will also be monitoring the Army's modernization program to build nearly 3,000 armored personnel carriers. This program too appears to lack any meaningful competition, having obtained a waiver to skip over building working prototypes and thereby ignoring the acquisition best practice of fly before you buy.

Way back many years ago when Ronald Reagan became President of the United States, our then-Secretary of Defense Cap Weinberger said: Fly before you buy. Fly before you buy.

It is clear. I do not think anybody builds anything in America today if they do not test it out before they purchase it en bloc or produce it en bloc. Yet the Pentagon continues to ignore the fundamental principle of fly before you buy.

There is also clearly more that needs to be done to ensure accountability in how the Department of Defense procures major weapons and information technology systems. Ensuring accountability means having in place the right acquisition managers when large procurement programs start instead of bringing them in years after those programs have foundered. Those managers must see and be willing to enforce affordability as an operational requirement and know how to effectively incentivize their industry partners to control costs.

Also, within a system that better aligns their tenure with key manage-

ment decisions on their programs, those managers—trained to be as competent and skillful a buyer as their industry counterparts are sellers—need to be empowered to make those decisions in their best professional judgment, and they need to do so within an overall system that holds them accountable if they are wrong and rewards them if they are successful.

Regrettably, that is not our defense acquisition system. In our system, instead of accountability, a systemic misalignment of incentives reigns—incentives that assign a premium to overly optimistic initial cost estimates and technological risk assessments. In our system, what is all-important is getting activity “under contract,” “keeping the money flowing,” and maintaining budgets. Our system allows the Department of Defense to start programs that are poorly conceived or inherently unexecutable with the aim of getting them “on rails”—into the development pipeline—and, if possible, simultaneously into production.

At that point, given the extent to which they have been engineered so that their economic benefits are distributed among key States and congressional districts, those programs become notoriously difficult to terminate or meaningfully change. Why? Because our system keeps them alive, often at an exorbitant cost and, in the worst cases, without ever providing meaningful combat capability.

My friends, it is called the military-industrial-congressional complex. Dwight David Eisenhower, in his last major speech, warned us of the military-industrial complex. It is now the military-industrial-congressional complex. It is a politically engineered, ill-defined, massive “transformational” procurement program, with an unlimited tolerance for excessive concurrency, largely funded on a cost-reimbursable basis, with the prime contractor allowed to maximize profit without necessarily delivering needed capability to our service men and women on budget or on time.

To say that such a system is unsustainable is charitable. It is a system that, if allowed to continue unabated, will have us bestow on our children and theirs de facto unilateral disarmament for which they will have no say and from which our Nation will have no recourse.

Rather than wallow in discouragement, however, we must let that odious proposition motivate us to reform the current system with meaningful change, in particular to the Pentagon's culture of inefficiency that has eluded us for a generation.

One thing is clear: Today we have a choice. Tomorrow we will not.

I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

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

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

#### FLORIDA FLOODING

Mr. NELSON. Madam President, we have had a severe act of Mother Nature in Florida and a number of other Southeastern States, where skies of Biblical proportions in dumping rain have occurred. In Pensacola, FL, there was close to 25 inches of rain that fell within a 24-hour period. The counties of Escambia and Santa Rosa in Florida were particularly hard hit, and just today the Governor of Florida requested a major disaster declaration from the President and sought assistance for that part of Florida. I passed along the Governor's request to the White House and asked that it be approved as soon as possible.

Right now the State of Florida government and local governments as well are assisting people in need, and they are surveying the damage to assess the extent of the storm's impact. We are going to do everything we can to make sure the people have the assistance and the help they need during this very difficult time. Of course, it was not just in Florida that these storms hit; it was a number of States—Mississippi, Alabama, Georgia. As the storm proceeded on upwards, it occurred in a lot of the Southeastern United States. But particularly those States plus ours, in northwest Florida, is where it really hit the hardest.

Many people have worked around the clock to save lives and to provide support in the immediate aftermath of the storm. Thank goodness there is a Florida National Guard that is as experienced as it is, and it is experienced because we are accustomed to storms, particularly hurricanes. But we are not accustomed to 25 inches in 24 hours, and all emergency personnel are down there helping.

According to Florida's request for Federal assistance, in addition to the spinoff tornadoes, some parts of the panhandle received this enormous amount of rain, and another indication is that in just 1 hour, 5.68 inches of rain fell—in 1 hour—in the city of Pensacola.

It brought floods. It destroyed homes, roads. It destroyed essential infrastructure. If you have seen any of the views on television, then you have seen the devastation, you have seen people being pulled out of the water, cars completely submerged, portions of roads taken out. It has occurred in multiple States.

Responding to a disaster such as this is a critical responsibility for not only government in general but for the Federal Government and the unique things and people and services the Federal Government can provide. It is one of those things government is supposed to do for people. It is supposed to help in

times of emergency. The President has already declared a disaster in Arkansas, Mississippi, and Alabama, making Federal resources available there. I hope the President is going to do the same for Florida. Sometimes challenges are just too great for any one local community or State to take on alone. The unique position of the Federal Government in a time such as this is to coordinate resources and people across the Nation to solve our biggest challenges. A lot of that is done through FEMA, and who better to have the help ready than the head of FEMA, who is a Floridian and who was the head of Florida's emergency department before President Obama tapped him to be the head of FEMA.

With this terrible toll on people's lives, I hope this will serve as an example of how we can all come together when people are in need. Clearly, our hopes and prayers and thoughts are with the people who are affected by these storms.

I yield the floor and I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. NELSON. I ask unanimous consent that the order for the quorum call be rescinded.

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

#### GOLD SCAM

Mr. NELSON. Madam President, while I had the opportunity on the floor, I wanted to call to the attention of the Senate that the Special Committee on Aging, which I have the privilege of chairing, held a hearing last week on scams particularly affecting senior citizens—but not limited to senior citizens—in the selling of precious metals, in particular gold.

Basically, the bottom-line takeaway from the hearing is if you are an American getting a cold call suggesting to you that you should invest in a precious metal such as gold, more than likely it is a scam and you are about to be robbed of your money if you play along and start investing in this fictitious investment in gold. The testimony showed that most of the time the scammers do not even purchase the gold and certainly are not storing it—even though they are charging the poor victim, often a senior citizen, storage fees for this fictitious gold.

I was astounded. We are accustomed to getting telemarketer calls—unless you are on the Do Not Call list—but telemarketers still call through the Do Not Call list. That is another giveaway. If you are on the Do Not Call list and you are getting one of these calls to invest, they can make it sound so good.

We had a man who was about to be sentenced and was one of the telemarketers. Why do these scams often end up being from South Florida? But

it is true—not only these kinds of scams, but also Medicare and Medicaid fraud. It is concentrated in South Florida. This man was a part of this scam calling unsuspecting Americans to get them to invest in something that sounds too good to be true, only it is the gold standard. People fell for it, and then they sent him money. He showed us. They have four different stages: someone who first gets you interested, someone who comes in and closes the deal, another person who comes along and then gets up the deal, and then others who keep you hooked into the scam until you find out that you don't have any gold that is being held in trust for you in storage but, in fact, it is all a sham.

I wanted to share with folks what the Senate Special Committee on Aging found out. If you get a cold call and they want you to invest in gold, chances are it is a scam and it is not real. It is a word to the wise: Beware. Don't fall for it.

I yield the floor and I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. COATS. I ask unanimous consent that the order for the quorum call be rescinded.

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

#### JOB CREATION

Mr. COATS. Madam President, all 100 of us, Republicans and Democrats, are concerned about our fellow citizens who are unemployed, struggling to pay their bills, and desperate to find meaningful work. We are concerned about the lack of opportunities in many of America's communities and the urgent need for more good-paying jobs across the United States.

There are Hoosiers and citizens across this country hurting in this economy, and it seems as though a new negative economic headline comes out every day. Consider some of the recent discouraging reports we have heard. According to a new USA Today/Pew research poll, Americans by a 2-to-1 margin rate the Nation's economic conditions as poor, and just 27 percent say there are enough jobs available where they live.

A few days ago, the Commerce Department estimated that between January and March of this year, the U.S. economy grew a shocking 0.1 percent. That is .1 percent from no growth whatsoever and just .2 percent from racking up a first quarter of recession.

It takes two quarters back to back to qualify for recession, but we are in the recovery period from one of the deepest recessions since World War II. Now we are into the fifth year, close to the sixth year, of a stagnant economy growing at half the rate it normally does after a recession, and Americans are still out of work.