

in turn, retaliated against us, putting tariffs ranging from 5 to 25 percent on \$100 billion of U.S. exports to China. So there has been an escalation of tariffs as we have been in these negotiations.

There has been discussion about the United States keeping our 25 percent and 10 percent tariffs in place as a backstop even after an agreement is reached. I think that is unlikely because I think it is a recipe for no agreement or an inadequate agreement.

Instead, I believe it is important for both countries to reduce or eliminate altogether the new tariffs under 301 and the retaliatory tariffs when the agreement is reached. Of course, the United States would be able to quickly reimpose tariffs if China doesn't live up to the commitments it makes, and that would be appropriate. But I think we ought to make a commitment now to China that we are willing to get rid of these tariffs, or substantially all of them, if a good agreement is reached.

Over the next few weeks, I hope the President remains focused on reaching this agreement that addresses the structural inequities in our trade relationship. Buying more soybeans is important, but this is a chance to resolve deeper issues, especially when there is such compelling evidence of commitments not met in the past and continued inequities in the U.S.-China trade relationship.

As part of reaching an enforceable structural agreement, I urge the administration to give China certainty about what we actually want and exactly what we want. From what I have heard, I believe giving Beijing the security of an unwavering negotiating position will help unlock China's last best offer. My sense is that is not yet on the table because perhaps they think we have shifted in terms of our objectives and priorities. The agreement would then allow the United States to take a step forward toward a more balanced, equitable, and durable U.S.-China relationship.

Again, I commend the administration and President Trump and Ambassador Lighthizer for engaging in these negotiations. I think we are headed in the right direction, but let's bring it to a close.

I want to note that the current negotiations are only part of what must be a holistic and long-term strategy toward China. A good agreement and strong enforcement is essential, but to keep the United States competitive over the long term, we have to invest more here at home.

As an example, if you are going to be in a sports competition, it helps to go to the gym once in a while. Until recently, we hadn't been hitting the gym too much.

Tax reform and lifting burdensome regulations recently have given our economy a shot in the arm. It is really important because it has created jobs and increased wages, but it has also made our country more competitive, particularly by investing in technology and investing in new equipment.

Unfortunately, we still have some challenges we need to address to be truly competitive. We have a workforce that too often lacks the skills necessary for the 21st century. We have an opioid epidemic that is undermining our economy as well as our communities. We have a crumbling infrastructure that is holding back economic growth.

Instead of people being awed at how quickly China can build a bridge, I want people to be awed at how effectively and how fast we can build a bridge here in this country. To do that, we need to build on the permitting reforms we have enacted in the last few years to make it easier to start and quicker to finish projects that keep our economy moving and growing. Reinvesting in America with world-class career and technical education, infrastructure investment, pro-growth and pro-innovation economic policies, as we started with tax reform and regulatory relief—these are the things that would send signals to China and to the rest of the world that we are a vibrant nation, we are in the game, we are focused on the future, we are constantly innovating, and we are not a nation in decline.

I believe the best days of our country can be before us. We need to show the world that America remains, in fact, the world's preeminent power because of our free markets, because of our innovations, and because of our work ethic. If we do that, we will be able to compete with China. If we don't, even without these trade negotiations, it will be difficult.

By the way, unlike some, I don't propose to compete with China by adopting policies and processes that mimic their system. As an example, nationalizing our 5G deployment or adopting 5-year industrial plans, as China does, is not the path to success. It gives in to the critiques that we make of Beijing. Instead, we need to double down on the American way: big ideas and bold visions grounded in principles unique to our origins. After all, we believe in freedom and free markets because they work.

With regard to China, we should want to have a successful and mutually beneficial relationship on trade and other issues. China and the United States must be strategic competitors going forward, not enemies.

I commend the Trump administration for entering into these difficult and very important negotiations with China, and I encourage the administration to stay strong in the pursuit of long-term, meaningful structural changes in that relationship. I want our country to do the hard work here at home, to ensure that American competitiveness is second to none. That combination—a successful resolution of longstanding issues with China and staying on the cutting edge here at home—will ensure the continued prosperity and global leadership of the United States of America.

Thank you.

I yield back my time.

The PRESIDING OFFICER. The Senator from Ohio.

ORDER OF PROCEDURE

Mr. PORTMAN. Madam President, I ask unanimous consent that notwithstanding rule XXII, the postcloture time on the Stanton nomination expire at 11:45 a.m. on Wednesday, April 10; further, that if confirmed, the motion to reconsider be considered made and laid upon the table and the President be immediately notified of the Senate's action. Additionally, I ask that following the disposition of the Stanton nomination, the Senate vote on the confirmation of the Abizaid nomination as under the previous order and that, if confirmed, the motion to reconsider be considered made and laid upon the table and the President be immediately notified of the Senate's action; finally, that the mandatory quorum call with respect to the Brady nomination be waived.

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

LEGISLATIVE SESSION

MORNING BUSINESS

Mr. PORTMAN. Mr. President, I ask unanimous consent that the Senate proceed to legislative session for a period of morning business, with Senators permitted to speak therein for up to 10 minutes each.

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

VOTE EXPLANATION

Ms. DUCKWORTH. Madam President, I was necessarily absent for vote No. 65 on the motion to invoke cloture on Executive Calendar No. 21, nomination of Daniel Desmond Domenico, of Colorado, to be United States District Judge for the District of Colorado. On vote No. 65, had I been present, I would have voted nay on the motion to invoke cloture on Executive Calendar No. 21.

ARMS SALES NOTIFICATION

Mr. RISCH. Madam President, section 36(b) of the Arms Export Control Act requires that Congress receive prior notification of certain proposed arms sales as defined by that statute. Upon such notification, the Congress has 30 calendar days during which the sale may be reviewed. The provision stipulates that, in the Senate, the notification of proposed sales shall be sent to the chairman of the Senate Foreign Relations Committee.

In keeping with the committee's intention to see that relevant information is available to the full Senate, I ask unanimous consent to have printed in the RECORD at this point the notifications which have been received. If

the cover letter references a classified annex, then such annex is available to all Senators in the office of the Foreign Relations Committee, room SD-423.

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

DEFENSE SECURITY
COOPERATION AGENCY,
Arlington, VA.

Hon. JAMES E. RISCH,
Chairman, Committee on Foreign Relations,
U.S. Senate, Washington, DC.

DEAR MR. CHAIRMAN: Pursuant to the reporting requirements of Section 36(b)(1) of the Arms Export Control Act, as amended, we are forwarding herewith Transmittal No. 19-13 concerning the Navy's proposed Letter(s) of Offer and Acceptance to the Government of Japan for defense articles and services estimated to cost \$1.150 billion. After this letter is delivered to your office, we plan to issue a news release to notify the public of this proposed sale.

Sincerely,

CHARLES W. HOOPER,
Lieutenant General, USA, Director.

Enclosures.

TRANSMITTAL NO. 19-13

Notice of Proposed Issuance of Letter of Offer Pursuant to Section 36(b)(1) of the Arms Export Control Act, as amended

(i) Prospective Purchaser: Government of Japan.

(ii) Total Estimated Value:

Major Defense Equipment* \$1,054 billion.
Other \$.096 billion.
Total \$1.150 billion.

(iii) Description and Quantity or Quantities of Articles or Services under Consideration for Purchase:

Major Defense Equipment (MDE):

Up to fifty-six (56) Standard Missile-3 (SM-3) Block IB Missiles.

Non-MDE: Also included are missile canisters, U.S. Government and contractor representatives' technical assistance, engineering and logistical support services, and other related elements of logistics and program support.

(iv) Military Department: Navy (JA-P-ATY).

(v) Prior Related Cases, if any: JA-P-AUA.

(vi) Sales Commission, Fee, etc., Paid. Offered. or Agreed to be Paid: None.

(vii) Sensitivity of Technology Contained in the Defense Article or Defense Services Proposed to be Sold: See Attached Annex.

(viii) Date Report Delivered to Congress: April 9, 2019.

*As defined in Section 47(6) of the Arms Export Control Act.

POLICY JUSTIFICATION

Japan—Standard Missile (SM)-3 Block IB

The Government of Japan has requested to buy up to fifty-six (56) Standard Missile-3 (SM-3) Block IB missiles. Also included are missile canisters, U.S. Government and contractor representatives' technical assistance, engineering and logistical support services, and other related elements of logistics and program support. The estimated cost is \$1.150 billion.

This proposed sale will support the foreign policy and national security of the United States by improving the security of a major ally that is a force for political stability and economic progress in the Asia-Pacific region. It is vital to U.S. national interests to assist Japan in developing and maintaining a strong and effective self-defense capability.

The proposed sale will provide Japan with increased ballistic missile defense capability to assist in defending the Japanese homeland and U.S. personnel stationed there. Japan

will have no difficulty absorbing these additional missiles into its armed forces.

The proposed sale of this equipment and support will not alter the basic military balance in the region.

The prime contractor for the SM-3 Block IB All Up Rounds will be Raytheon Missile Systems, Tucson, Arizona. The prime contractor for the canisters will be BAE Systems, Minneapolis, Minnesota. There are no known offset agreements proposed in connection with this potential sale.

Implementation of this proposed sale will require annual trips to Japan involving U.S. Government and contractor representatives for technical reviews, support, and oversight for approximately five years.

There will be no adverse impact on U.S. defense readiness as a result of this proposed sale.

TRANSMITTAL NO. 19-13

Notice of Proposed Issuance of Letter of Offer Pursuant to Section 36(b)(1) of the Arms Export Control Act

Annex Item No. vii

(vii) Sensitivity of Technology:

1. The proposed sale will involve the release of sensitive technology to the Government of Japan related to the Standard Missile-3 (SM-3):

The Block IB is an iteration of the SM-3 family. It has distinct features over the older Block IA variant previously sold to Japan including an enhanced warhead which improves the search, discrimination, acquisition and tracking functions in order to address emerging threats. Once enclosed in the canister, the SM-3 Block IB missile is classified CONFIDENTIAL.

2. If a technologically advanced adversary were to obtain knowledge of the specific hardware and software elements, the information could be used to develop countermeasures that might reduce weapon system effectiveness or be used in the development of a system with similar or advanced capabilities.

3. A determination has been made that Japan can provide substantially the same degree of protection for the sensitive technology being released as the U.S. Government. This sale is necessary in furtherance of the U.S. foreign policy and national security objectives outlined in the Policy Justification.

4. All defense articles and services listed in this transmittal are authorized for release and export to the Government of Japan.

DEPARTMENT OF ENERGY FISCAL
YEAR 2020 BUDGET REQUEST

Mr. ALEXANDER. Madam President, I ask unanimous consent that a copy of my opening statement at the Subcommittee on Energy and Water Development's budget hearing for the Department of Energy's fiscal year 2020 budget request be printed in the RECORD.

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

DEPARTMENT OF ENERGY FISCAL YEAR 2020
BUDGET REQUEST

Mr. ALEXANDER. The Subcommittee on Energy and Water Development will please come to order.

Today's hearing will review the administration's fiscal year 2020 budget request for the Department of Energy.

This is the Subcommittee's first budget hearing this year.

We will have three additional hearings with the National Nuclear Security Adminis-

tration, the Corps of Engineers and Bureau of Reclamation, and the Nuclear Regulatory Commission over the next five weeks. Senator Feinstein and I will each have an opening statement.

I will then recognize each Senator for up to five minutes for an opening statement, alternating between the majority and minority, in the order in which they arrived.

We will then turn to Secretary Perry for his testimony on behalf of the Department of Energy.

At the conclusion of Secretary Perry's testimony, I will then recognize Senators for five minutes of questions each, alternating between the majority and minority in the order in which they arrived. Earlier this week I proposed a New Manhattan Project for Clean Energy, a five year project with Ten Grand Challenges that will use American research and technology to put our country and the world firmly on a path toward clean, cheaper energy.

Meeting these Grand Challenges would create breakthroughs in advanced nuclear reactors, natural gas, carbon capture, better batteries, greener buildings, electric vehicles, cheaper solar and fusion. To provide the tools to create these breakthroughs, the federal government should double its funding for energy research and keep the United States number one in the world in advanced computing. This strategy takes advantage of the United States' secret weapon, our extraordinary capacity for basic research especially at our 17 national laboratories. It will strengthen our economy and raise our family incomes.

As we review the Department of Energy's fiscal year 2020 budget request today and work on drafting the Energy and Water Development Appropriations bill, I will be keeping these Ten Grand Challenges in mind.

I would like to thank Secretary Perry for being here today. This is Secretary Perry's third year to testify before the subcommittee.

I also want to thank Senator Feinstein, with whom I have the pleasure to work with again this year to draft the Energy and Water Development Appropriations bill. Our subcommittee has a good record of being the first of appropriations bills to be considered by the Committee and by the Senate each year. For each of the past four years, Senator Feinstein and I have been able to have our bill signed into law.

Last year, we worked together in a bipartisan way on the fiscal year 2019 Energy and Water Development Appropriations bill that was signed into law before the start of the fiscal year—the first time that happened since 2000.

We provided \$6.585 billion for the Department's Office of Science, the fourth consecutive year of record level funding, which supports basic science and energy research at our 17 national laboratories and is the nation's largest supporter of research in the physical sciences.

The bill also provided \$366 million for ARPA-E, to continue the important research and development investments into high-impact energy technologies—another record funding level in a regular appropriations bill.

We also provided \$1.3 billion for Department's Office of Nuclear Energy, which is responsible for research and development of advanced reactors and small modular reactors. Finally, the bill we passed last year provided \$15.2 billion for the National Nuclear Security Administration, including record funding levels for our Weapons Program and Naval Reactors.

This year, the Department of Energy's budget request is about \$3.9 billion below what Congress provided last year.