

Durbin	Kaine	Roberts
Enzi	King	Rounds
Feinstein	Kirk	Rubio
Fischer	Klobuchar	Schatz
Flake	Lankford	Schumer
Franken	Leahy	Sessions
Gardner	McCain	Shaheen
Gillibrand	McCaskill	Stabenow
Graham	McConnell	Sullivan
Hatch	Mikulski	Thune
Heinrich	Murphy	Toomey
Heitkamp	Nelson	Udall
Hirono	Paul	Vitter
Hoeven	Peters	Warner
Inhofe	Reed	Whitehouse
Isakson	Reid	Wyden
Johnson	Risch	

## NAYS—32

Baldwin	Ernst	Perdue
Booker	Grassley	Portman
Boozman	Heller	Sanders
Boxer	Lee	Sasse
Brown	Manchin	Scott
Cantwell	Markey	Shelby
Capito	Menendez	Tester
Cotton	Merkley	Tillis
Cruz	Moran	Warren
Daines	Murkowski	Wicker
Donnelly	Murray	

The PRESIDING OFFICER (Mr. SULLIVAN). On this vote, the yeas are 68, the nays are 32.

Three-fifths of the Senators duly chosen and sworn having voted in the affirmative, the motion is agreed to.

Cloture having been invoked, the motion to refer falls as it is inconsistent with cloture.

The majority leader.

## AMENDMENT NO. 4866

Mr. MCCONNELL. Mr. President, I ask for the yeas and nays on amendment No. 4866.

The PRESIDING OFFICER. Is there a sufficient second?

There appears to be a sufficient second.

The yeas and nays were ordered.

Mr. MCCONNELL. I suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. SASSE). The clerk will call the roll.

The senior assistant legislative clerk proceeded to call the roll.

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 President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. PERDUE). Without objection, it is so ordered.

## RECESS

Mr. BARRASSO. Mr. President, I ask unanimous consent that the Senate recess until 2:15 p.m., with the time in recess counting postcloture.

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

Thereupon, the Senate, at 1:07 p.m., recessed until 2:15 p.m. and reassembled when called to order by the Presiding Officer (Mr. CRUZ).

## NATIONAL SEA GRANT COLLEGE PROGRAM AMENDMENTS ACT OF 2015—Continued

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 President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

Mr. MCCONNELL. Mr. President, I ask unanimous consent that notwithstanding rule XXII, there be 5 hours of time equally divided between the two leaders or their designees; further, that Senator MENENDEZ or his designee be recognized to make a motion to table the motion to concur with amendment No. 4865, and that Senator SANDERS or his designee be recognized to make a budget point of order, and that Senator MCCONNELL or his designee be recognized to make a motion to waive the point of order; further, that following the use or yielding back of the 5 hours of debate, the Senate vote on the motions in the order listed; finally, that if the motion to table is not successful, then following disposition of the motion to waive, the remaining postcloture time be yielded back, the motion to concur with amendment be withdrawn, and the Senate vote on the motion to concur in the House amendment with no further intervening action or debate.

The PRESIDING OFFICER. Is there objection?

Mr. REID. Reserving the right to object.

The PRESIDING OFFICER. The Democratic leader.

Mr. REID. Mr. President, the Democrats have 150 minutes. I ask unanimous consent that that be divided as 40 minutes for MENENDEZ, 40 minutes for SANDERS, 10 minutes for CANTWELL, 10 minutes for HEITKAMP, and 50 minutes for proponents of the legislation.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

Mr. REID. Mr. President, further reserving my right to object, I would also say that just because you have the time, you don't have to use it. I would hope Senators on both sides would understand that the sooner we get to the votes, the better off we will be.

I would also say this. I appreciate on my side the work done by Senator MANCHIN of West Virginia. That State, in the last few weeks—actually, for the last few months—has been hit harder than any State deserves to be hit. It is just awful what has happened there. Senator MANCHIN has been stalwart in recognizing the work he has to do there.

We understand his advocacy for years now—especially the last few months—on the miners, their pensions, and health care benefits. We recognize that. We think we have ways of helping him, and we have something worked out we think is appropriate, and we have discussed that with him.

I would also recognize Senator SANDERS. Everyone knows the fervency of his opinion on a number of different things, and he certainly has one on this matter, and he has 40 minutes to ex-

plain that. We appreciate his cooperation.

The person who has been a voice on Puerto Rico for more than the last few months—for years—has been BOB MENENDEZ from New Jersey. He has been very articulate in all the caucuses we have had where we have discussed this and on the floor. I admire his feelings on this.

I wish I could say we have solved all of his problems. We have not been able to do that, but I certainly want everyone to know he has done a terrific job of recognizing, in his opinion, what is wrong with this legislation. There is no one better to articulate that position than BOB MENENDEZ.

Senator CANTWELL has worked very hard on this legislation with the chair of the Energy Committee, the senior Senator from Alaska. They have worked very hard. They had a way forward, but they couldn't get it done. They are going to continue to work on putting something together. We need more of that.

We have an Energy bill coming up. We hope we can work something out to get to conference on that and move forward on that. That is a bill that is years overdue. We have been trying to do that for almost 5 years. So I hope we can work something out.

Senator HEITKAMP is going to come and give us her opinion on what we should do on Ex-Im Bank. She has been articulate and working with Senator CANTWELL on that.

I appreciate the work of the Republican leader, and his assistant, the senior Senator from Texas. This has been kind of a difficult issue for everybody. We all didn't get what we wanted. That includes Democrats and Republicans. I wish we could have done better, but this is what we got from the House, which had been worked on over there with the Republicans, with the Speaker, with Leader PELOSI, and the President's people. This is what we have, and we have had to work through this to do what we could do.

I wish we could have done more, but I am satisfied that this is going to be a broad, broad step forward to help the people of Puerto Rico, who are desperate for help.

I have no objection.

The PRESIDING OFFICER. Is there objection to the majority leader's request?

Without objection, it is so ordered.

The majority leader.

Mr. MCCONNELL. Mr. President, for the information of our colleagues, this sets up three votes that will allow us to finish the bill later in the day. But I would remind everyone that we have a briefing from 4 to 5 on the ISIL issue, which I would encourage all of our Members to attend.

The PRESIDING OFFICER. The Senator from Vermont.

Mr. SANDERS. Mr. President, I rise in very strong opposition to the Puerto Rico Oversight, Management, and Economic Stability Act, the so-called

PROMESA Act. This is a terrible piece of legislation, setting horrific precedent, and it must not be passed.

The United States of America should not treat Puerto Rico as a colony. We cannot and must not take away the democratic rights of the 3.5 million Americans of Puerto Rico and give virtually all power on that island to a 7-member board that will be dominated, as it happens, by 4 Republicans. This legislation strips away the most important powers of the democratically elected officials of Puerto Rico, the Governor, the Legislature, and the municipal governments as well. We must not allow that to happen.

This is not what the United States of America is supposed to be about, and this is not how we should treat a territory in the year 2016. The bottom line is that the United States must not become a colonial master, which is precisely what this legislation allows. Any decisions that are made regarding the future of Puerto Rico must be made by the people of that island and their elected officials.

This legislation, I should add, is not just about taking away the democratic rights of the people of Puerto Rico. It is about punishing them economically. Since 2006, Puerto Rico has been in the midst of a major economic depression. In the last 10 years, Puerto Rico has lost 20 percent of its jobs. About 60 percent of Puerto Rico's adult population is either unemployed or has given up looking for work. Over the last 5 years alone, more than 150 public schools have been shut down and the childhood poverty rate in Puerto Rico is now 58 percent. There is a mass migration out of Puerto Rico to the mainland of professionals because there is simply no work on the island.

In the midst of this human suffering and economic turmoil, it is morally repugnant that billionaire hedge fund managers on Wall Street are demanding that Puerto Rico fire teachers, close schools, cut pensions, and lower the minimum wage so that they can reap huge profits off the suffering and misery of the American citizens on that island.

We have to understand that Puerto Rico's \$70 billion in debt is unsustainable and unpayable. That is just a fact. You cannot get blood out of a stone. The reason—or one of the major reasons that it is unpayable—has a lot to do with the greed of Wall Street vulture funds. In recent years, vulture funds have purchased a significant amount of Puerto Rico's debt. In fact, it has been estimated that over one-third of Puerto Rico's debt is now owned by these vulture funds that are getting interest rates of up to 34 percent on tax-exempt bonds they purchased for as little as 29 cents on the dollar. Let me repeat that. Vulture funds are getting interest rates of up to 34 percent on tax-exempt bonds they purchased for as little as 29 cents on the dollar.

Let us be clear. This issue is a significant part of what the entire debate

regarding Puerto Rico is about. Billionaire hedge fund managers who purchased Puerto Rican bonds for pennies on the dollar now want a 100-percent return on their investment, while schools are being shut down in Puerto Rico, while pensions are being threatened with cuts, while children on the island go hungry. That is morally unacceptable. That should not be allowed by the Congress.

It is bad enough for Republicans in the House to write legislation that takes away the democratic rights of U.S. citizens living in Puerto Rico, but adding insult to injury, this legislation does something even more insulting. At a time when health, education, and nutrition programs will likely be cut, this legislation, if you can believe it, requires the taxpayers of Puerto Rico to pay for the financial control board at the unbelievable sum of \$370 million in order to fund the control board's bureaucracy.

So think about it for a second. The control board will likely cut programs for the elderly, the children, the sick, and the poor, on an island where 58 percent of the children are already living in poverty because Puerto Rico does not have enough money to take care of its most vulnerable people. In the midst of all that, \$370 million is going to be sucked away from Puerto Rico in order to pay for the administration of the financial control board. This, to me, is literally beyond belief.

Puerto Rico must be given the time it needs to grow its economy, to create jobs, to reduce its poverty rate, and to expand its tax base so that it can pay back its debt in a way that is fair and just. In my view, we need austerity—not for the people of Puerto Rico but for the billionaire Wall Street hedge fund managers who have exacerbated the financial crisis on the island. We must tell them loudly and clearly that they cannot get everything they want while workers in Puerto Rico are fired, while schools are shut down, while health care is underfunded, and while children on that island live in poverty.

I am very disappointed that this extremely important piece of legislation is being pushed through Congress without allowing any amendments here in the Senate. That is not the way we should be doing business.

If allowed, I will offer an amendment in the form of legislation that I have introduced—legislation that would allow Puerto Rico's debt to be structured through the creation of a reconstruction finance corporation.

Let's never forget that in 2008, when Wall Street's greed, recklessness, and illegal behavior nearly destroyed our economy, the Federal Reserve provided \$16 trillion in virtually zero—zero—interest loans to every major financial institution in this country, as well as central banks and corporations throughout the world. If the Federal Reserve and the Treasury Department could move quickly to stabilize our economy and global markets in 2008,

we can surely help the 3.5 million American citizens in Puerto Rico who are hurting today. The Fed can and should provide low-interest loans to Puerto Rico and facilitate an orderly restructuring of Puerto Rico's debt.

This legislation is both a political and economic disaster for the people of Puerto Rico. This legislation takes away their democratic rights and self-governance and will impose harsh austerity measures, which will make the poorest people in Puerto Rico even poorer. This is legislation that should not be passed by the Congress.

I rise to offer a point of order against this legislation.

Mr. President, I understand that the Republican representative will be coming down in a few moments, so I will reserve my time and reclaim the floor in a few minutes when the Republican representative is here.

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

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

Mr. SANDERS. Mr. President, I rise to raise a point of order against this legislation and make a point of order that the pending motion to concur violates section 425(a)(2) of the Congressional Budget Act of 1974.

The PRESIDING OFFICER. The Senator from Utah.

Mr. HATCH. Mr. President, pursuant to section 904 of the Congressional Budget Act of 1974 and the waiver provisions of applicable budget resolutions, I move to waive all applicable sections of that act and applicable budget resolutions for purposes of the motion to concur in the House amendment to S. 2328, and I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There appears to be a sufficient second.

The yeas and nays were ordered.

Mr. SANDERS. Mr. President, I reserve the remainder of my time.

The PRESIDING OFFICER. The Senator from Utah.

Mr. HATCH. Mr. President, as we all now know, the government of Puerto Rico has run up an astounding debt of around \$70 billion and has more than \$40 billion in virtually unfunded pension promises. To address this financial challenge, the Senate has taken up legislation to provide greater oversight of the territory's finances and some broad debt-resolution authority.

That bill, which the authors entitled the "Puerto Rico Oversight, Management, and Economic Stability Act," or PROMESA, is certainly not something I would have written and in many areas leaves a lot to be desired. Nonetheless, I voted to invoke cloture on

the bill because, thanks to the stubbornness of the Treasury Department and lack of transparency from the government of Puerto Rico, it is the only option on the table, and delaying action would only hurt the Americans who reside on the island.

Astoundingly, the government of Puerto Rico has not provided audited financial statements since 2013, despite its responsibilities to do so under continuing disclosure requirements and multiple requests from Congress and investors. The territory's debt challenges have been center stage here in Congress for about a year now, and throughout that time we have received only stale, largely useless, and untrustworthy information regarding Puerto Rico's finances. In fact, some of the disclosures have been downright insulting.

For example, earlier this year I submitted a number of detailed questions to the Governor of Puerto Rico about the state of the island's finances. One of my questions was very straightforward: "What component units of Puerto Rico's government has issued debt, and how much does each owe?" Amazingly, the Governor, in a delayed response, answered that simple question with a quote from an outdated report issued by the Federal Reserve Bank of New York.

In other words, the very government that issued the debt would not even provide information on what it owes and instead quoted a third party. This is not an isolated incident. Throughout this public discussion, we have yet to get anything resembling a firsthand account of the true fiscal situation in Puerto Rico. In fact, this lack of transparency—and that is putting it kindly—has gone on for years. Lately, however, Puerto Rico's withholding of information seems to have been strategic and part of a legislative strategy in concert with the Treasury Department.

The U.S. Treasury Department was given authority to provide technical assistance to Puerto Rico but evidently has not advised Puerto Rico's government to open its books. In addition, despite numerous requests I have made to Treasury to provide briefings on the nature of their technical assistance, they have, so far, refused to provide any such insight.

We have heard calls from various sources, including Members of the Senate, for the Securities and Exchange Commission to investigate actions taken on the part of private investors in relation to Puerto Rico's debt crisis. Given the apparent coordination between Treasury and the government of Puerto Rico and the overall lack of information we have about the current state of the territory's debt and finances, I sent a letter this week to the SEC asking that actions and inaction by government officials be included in any investigation into Puerto Rico's debt.

Today I also sent a letter to Treasury Secretary Lew inquiring about re-

ported confidentiality agreements Treasury officials have signed with component units of Puerto Rico's government. The existence of such agreements raises many questions, and disturbing reports that Treasury officials may have impeded negotiations between Puerto Rico and its creditors in order to get a better legislative outcome in Congress raises even more questions.

With respect to Puerto Rico, the Obama administration is and has been interested in one thing and one thing only: obtaining the broadest and most comprehensive debt resolution authority for Puerto Rico possible, in an obvious attempt to favor public pensions in Puerto Rico. While I tried last year to work with administration officials toward a resolution for Puerto Rico, Treasury officials remained extraordinarily rigid in their objectives.

Moreover, while that administration and many of my friends on the other side have been very forthcoming in offering ideas of how to send roughly \$50 billion of extra health funds to Puerto Rico and nearly \$10 billion in difficult-to-administer tax incentives, none of them have been forthcoming about the actual cost of their proposal. They have also persisted in identifying what they call "health funding inequities" but never seem to want to own up to the fact they purposefully included a cliff in health funding for Puerto Rico as a part of ObamaCare.

This health funding cliff alone should be a clear indication to the people of Puerto Rico that while the administration and my friends on the other side of the aisle talk one way about how they care for the people of Puerto Rico, they often act quite differently and give far more attention and effort to protecting the interests of public sector unions.

I have made clear all along my main objective has been to serve the interests of the people of Puerto Rico, not the politicians on the island or here in Washington, DC. That is why I voted to invoke cloture on the legislation before us today, despite the rigidities of the Obama administration and the government of Puerto Rico.

Unfortunately, we have been put in a position where, if this legislation were to fail, there will only be more suffering for the people of Puerto Rico. We cannot wait for another administration here or on the island to finally get accurate and verified information on Puerto Rico's finances. We cannot wait for the Obama administration to start engaging reasonably with Congress about health care funding or tax incentives for the island.

Therefore, in order to finally determine the true state of Puerto Rico's finances and to provide relief from the massive indebtedness accumulated by a profligate Puerto Rican government, I will, once again, be voting yes on this bill. The bill does not have any significant effect on the Federal deficit or our massive Federal debt, which is a good thing. Unfortunately, it also will not

have any significant effect on Puerto Rico's economic growth, but it does promise to finally uncover what is beneath the opaque, weblike structure of the Puerto Rican government's finances, and if we are actually going to be able to meaningfully address the island's financial challenges, that will be a very important step.

The bill also has the potential to provide some debt relief which can help the people of Puerto Rico, if effectively implemented and not used simply as a way to funnel resources into public pension programs. Despite reforms to pension programs touted by the Puerto Rican government in recent years, the territory has not actually funded those reforms. As a result, large public pension programs on the island remain, in effect, entirely unreformed, still allowing for things like government-subsidized loans to participants for cultural trips intended for "relaxation."

Unfortunately, there has been a lot of other misinformation about Puerto Rico's financial information put forward by some of my friends on the other side of the aisle, by some administration officials who know better, and by many in the House who could stand to learn more. None of that, if we let it persist, will help the people of Puerto Rico.

Let me close by agreeing with some remarks made yesterday by my colleague and good friend Senator CANTWELL, who correctly identified that whatever happens today with PROMESA, issues surrounding Puerto Rico are not going away.

I will note this legislation sets up a congressional task force to consider impediments to growth in Puerto Rico, including those that may stem from the Federal Government policies. Perhaps Senator CANTWELL and I could serve together on the task force. In principle, the task force can allow Congress to continue to address issues surrounding how Federal tax and health care policies affect Puerto Rico and how changes could possibly influence growth.

To be clear, I believe this task force could be useful only if both sides of the aisle are willing to seriously discuss ideas beyond sending tens of billions of dollars to Puerto Rico. If the task force will only consider a wish list of Federal spending, I don't see it accomplishing all that much for the people living in Puerto Rico.

In any event, it is long past time for holding out hope the government of Puerto Rico will provide accurate financial information. Similarly, it is likely a fruitless endeavor to keep waiting on the Obama administration to move away from its rigid focus on obtaining broad debt restructuring authority for Puerto Rico. We should not hold the people of Puerto Rico hostage to the rigidities of self-interested politicians, neither here nor in the territory. Consequently, I plan to support PROMESA, despite its shortcomings. I urge my colleagues to do the same. I

appreciate the honest and decent people of Puerto Rico and wish them the very best and hope this bill will help them get on the path that will cause that great and beautiful place to be even better.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. TOOMEY). The clerk will call the roll.

The legislative clerk proceeded to call the roll.

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

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

Mr. MENENDEZ. Mr. President, I ask the Presiding Officer to advise me when I have used 25 minutes of my time.

The PRESIDING OFFICER. The Senator will be so notified.

Mr. MENENDEZ. Mr. President, I have come to the floor time and time again on this issue with a simple message: PROMESA, which is the Spanish word for promise, is not a promise; it is a power play leaving the people of Puerto Rico unable to manage their own government, make their own decisions, and do what they believe is necessary for their own future. In the case of Puerto Rico, we have decided not to help them make their own decisions but to take the powers of governing away from them.

While I have filed many amendments, unfortunately my colleagues seem to have thrown up their hands and said this bill cannot get any better, we will not even try to do the people's work and have actual debate and votes in the Senate.

I would note that calls for a thorough debate on the Senate floor were bipartisan in nature. I would remind my colleagues that each one of us was elected to this very Chamber to debate and enact legislation to improve the lives of Americans, and that includes the 3.5 million American citizens living in Puerto Rico.

I know proponents of the bill have argued, supporting an amendment process would force Puerto Rico to default and have serious repercussions for its people, but they are simply mistaken. The truth is, the legislation we are considering will include a retroactive stay on litigation, meaning any lawsuit filed before July 1 will be halted and any judgments unenforceable. As a matter of fact, any lawsuits that take place or any judicial decisions that take place, once the legislation is passed and signed by the President—it will be retroactive to December of last year. That will be stopped. As the bill states, the stay bars “the commencement or continuation” of suits to recover “claims” against Puerto Rico. It also bars “enforcement . . . of a judgment obtained before the enactment” of the bill.

In addition, section 362 of the Bankruptcy Code, which is incorporated by reference into this bill that we are con-

sidering, bars the “enforcement . . . of a judgment obtained before” filing for bankruptcy once the board files a bankruptcy petition on Puerto Rico's behalf to restructure their debt. Even if this apocalyptic scenario the proponents of the bill want to use to drive this bill through—if hedge funds win a judgment before the stay is enacted, that judgment cannot be enforced once the law is passed. Once the debt adjustment plan is confirmed, the judgment can actually be discharged.

The Third Circuit Court of Appeals, which has jurisdiction over Puerto Rico, held in 2012: “Even if [an] injunction is not a claim [for purpose of the bar against ‘commencement or continuation’ of ‘claims’], any action to enforce [an injunction] is subject to the stay and cannot proceed without relief from the stay.”

What does that basically mean? Any action to enforce is subject to the stay and cannot proceed without relief from the stay. The stay is the legislation we are passing. So all of this suggesting that we have to drive into a set of circumstances with a bad bill is not the reality.

Time is of the essence as it relates to Congress acting swiftly, but we shouldn't allow a somewhat arbitrary deadline to force through a fundamentally flawed bill, as the retroactive stay gives us the time to get it right. July 1 shouldn't be used as an excuse to abdicate our responsibilities as U.S. Senators.

Adoption of the motion to table, which I will make later, can still find a reasonable middle ground to truly help solve the crisis and the humanitarian catastrophe that awaits the people of Puerto Rico rather than simply ignoring their sovereignty and choosing the road to colonialism. While hope is getting dim, we still have one last opportunity to do right by the people of Puerto Rico. I will attempt to table a pending amendment in order to have the opportunity to replace that amendment if we succeed in going ahead and tabling it to get a vote on one of my amendments.

While that may seem a little bit confusing as a procedural vote, basically what I am saying is if you vote for my motion to table, you are giving me an opportunity to have an amendment I plan to offer in its place.

If we succeed, the majority leader might try to slip in another amendment, but at the end of the day, we will know the whole purpose of tabling is to offer an amendment to improve this legislation. Why must we improve this legislation? Let me go through what is wrong with this law.

This creates an oversight board. The board, according to the report by the House Natural Resources Committee—I did not say this; it is the official document of the House of Representatives, which passed this bill. It says: “The board would have broad sovereign powers”—sovereign powers means it has total authority on its own—“to effec-

tively overrule decisions by Puerto Rico's legislature, governor and other public authorities.” These are the people who were elected by the 3.5 million citizens of Puerto Rico, U.S. citizens, to determine their future, but, no, the board is going to overrule them and have the sovereign power to do so.

Secondly, the oversight board “can effectively nullify”—nullify means end—“any new laws or policies adopted by Puerto Rico that did not conform to requirements specified in the bill.” The board can nullify a sovereign government's opportunity to pass laws as elected by the people. The consent of its government, the essence of democracy—well, we are nullifying that.

The control board, as I call it—and I will speak about why it is control and not oversight. These things speak to controls, not oversight. It says the control board “may impose mandatory cuts on Puerto Rico's government and instrumentalities—a power far beyond that exercised by the Control Board established for the District of Columbia.” Again, that is from the House Natural Resources Committee report—“a power far beyond that exercised by the Control Board established for the District of Columbia.”

They can say: Sorry, Puerto Rico, we know you put your budget together, we know the legislature passed it, and we know the Governor signed it, but we think you have to cut in these areas of education, you have to cut in these areas of health care, and you have to cut in these areas of public safety.

They have the power to decide mandatorily that these cuts must take place.

With respect to the government of Puerto Rico and its instrumentalities, which means subdivisions, it can make appropriate reductions in nondebt expenditures. That is very important. Anything that is considered as an expenditure to pay the debt is held sacrosanct and can't be touched, but as far as nondebt expenditures, this board can say: This is where you will make the cuts. What are those nondebt expenditures? They are education, health care, public safety, senior citizens, and all of the things we think about to protect the people in our society. It has sole discretion over the budget.

“The Oversight Board shall determine in its sole discretion”—a phrase used nearly 30 times throughout the bill, which means we are not defining what that means. Sole discretion, as commonsense, means they themselves can determine what is appropriate, whether each proposed budget is compliant with the applicable fiscal plan in their sole discretion even if that discretion is arbitrary and capricious. It has the sole discretion to grant or deny restructuring.

Why are we even considering legislation? The whole purpose of our legislation is to give Puerto Rico a pathway to restructuring in the bankruptcy court, where the bankruptcy court and the Federal laws would take over, but

we created a series of problems to that restructuring.

The oversight board certifies a plan of adjustment only if it determines in its sole discretion that it is consistent with the applicable certified fiscal plan. Again, they could be arbitrary and capricious.

This board, which has no representation from Puerto Rico that comes from the Puerto Rican people—it will have one person who either has their primary residence or their primary business in Puerto Rico, but they could have a primary business and not live there and make dictates about the people of Puerto Rico. And this person doesn't come from the Governor and legislature of Puerto Rico, representing the Puerto Rican people.

This board that has control over their entire lives, which includes their budgets, fiscal plan, the ability to make mandatory cuts, and the ability to impose all types of things that a governing body, in essence, would do—guess who pays for this oversight board, which includes seven unelected and unaccountable people? Puerto Rico pays for it.

“Within 30 days after the date of enactment, the territorial government shall designate a dedicated funding source”—meaning a source only to pay for this—“not subject to legislative appropriations.” Guess what the estimate of that is. This is the Congressional Budget Office. It says Puerto Rico will have to pay about \$370 million for this control board. Here is an island that doesn't have the money to meet some of the basic necessities that we heard so eloquently talked about on both sides of the aisle, but we are going to impose at least another \$370 million—as is estimated by the Congressional Budget Office—on them for a control board that they have no say over.

They have no oversight over the control board. Neither the Governor, nor the legislature can exercise any control, supervision, or oversight, but they get to pay the \$370 million, and they have to live with all the dictates of the control board even though they don't have representation.

To further make sure the control board is even more omnipotent, they put in a no-liability clause. “The Oversight Board, its members and its employees shall not be liable for any obligation of or any claim against the Oversight Board or its members or employees or the territorial government resulting from actions taken to carry out this act.” They have absolute immunity. Wow. Wouldn't we all like to have that.

My amendment is targeted at improving the most egregious flaws of this legislation. My amendment would ensure that the people of Puerto Rico have a voice in their future. The current legislation denies the Puerto Rican people any representation on a board that effectively replaces the decisionmaking powers of the legislative and executive branches of their demo-

cratically elected government. It imposes the board on Puerto Rico without ever consulting the people of Puerto Rico.

My amendment makes two critical changes to protect Puerto Rico's sovereignty and democratic rights. Under my amendment, if we get to it through the motion to table, Puerto Rico will decide for itself whether it will access restructuring and accept the control board, thus preserving the people's voice in the process.

Second, my amendment adds two additional voting members to the board chosen by the elected representatives of the people of Puerto Rico. These two additional members would be chosen by the President from a list of four candidates submitted by the Governor of Puerto Rico with the advice and consent of the Legislature of Puerto Rico. Republicans will still appoint the majority of members from an ideological perspective. I personally believe that all of the members of the board should be chosen by the people of Puerto Rico or their elected representatives, but I want to be reasonable and open to compromise, which is why my amendment only requires two members of a nine-member board to be chosen by Puerto Rico. Certainly we can all agree that the people who have to deal with all of the consequences of this board's decisions should have some say as to who is making those decisions.

My amendment would also protect senior citizens and avoid an increase in elderly poverty. PROMESA currently includes a vague and undefined requirement to provide adequate funding for public pension systems. Our amendment would ensure that senior retirees and pensioners are protected from the whims of the control board. After all, the retirees in Puerto Rico, who spent 30 years serving the island as police officers, firefighters, teachers, and nurses, didn't have any choice but to participate in the pension plan; it was mandatory. Unlike hedge funds that were able to pick and choose what investments to make and often bought bonds at pennies on the dollar, public servants had to participate in the pension system. They had no way of knowing that their nest egg, for which they worked their entire lives, was at risk of being taken away. They didn't contribute to the fiscal problems facing Puerto Rico, and they didn't borrow too much or fail to make annual contributions to the fund, so why should they lose their retirement funds?

Besides the fundamental flaws with the control board and the failure to provide critical protections for seniors and retirees, this bill also fails to provide a clear pathway to restructuring, which is the whole purpose of this legislation and this debate to begin with. The unelected control board created in this bill will have the ultimate authority to decide whether Puerto Rico's debts are even worthy of restructure.

Let's not fool ourselves into believing that is a sure thing, that this bill

guarantees the island the ability to restructure its debts. Indeed, section 206 of the bill lists four gatekeeping requirements before any restructuring can occur. It must have engaged in good-faith efforts to reach a consensual agreement with creditors, it must establish a system to develop and make public timely audited financial reports, and it must adopt a fiscal plan approved by the board. But even if Puerto Rico meets and fulfills these requirements, there is still an additional, even higher hurdle it must meet to access restructuring. Instead, the fourth gatekeeping requirement in the PROMESA legislation requires a supermajority of a 5-to-2 vote by the control board in order for any of the island's debts to be restructured. When you call for a supermajority, it means that a minority of that seven—three people—may be ideologically opposed to the concept of restructuring or allowing Puerto Rico to get access to the bankruptcy court and could derail the island's attempts to achieve sustainable debt payments.

Without any authority to restructure its debt, all this legislation will do is take away the democratic rights of 3.5 million Americans and leave the future to wishful thinking and a prayer that the crisis will somehow be resolved.

Instead of leaving this critical decision up to the whims of a minority of the board, my amendment would provide a clear path to restructuring by removing this arbitrary vote requirement. Instead, under my amendment, the government or instrumentality would be able to restructure its debts once it completed the first three gatekeeping requirements. Since the main purpose of this bill is to give Puerto Rico the tools to restructure all of its debts, why would we leave this authority to chance?

In addition to the undemocratic control board and an obfuscated path to restructuring, I have serious concerns that the bill would actually increase poverty and out-migration rather than stem both. That is because it provides an exception to the Federal minimum wage for younger workers, and it exempts the island from recently finalized overtime protections. At a time when we are seeking to increase workers' wages, PROMESA goes in the opposite direction and actually cuts them.

It amazes me that the solution to getting Puerto Rico's economy growing again is to ensure that workers make even less money. Lowering people's wages is not a pro-growth strategy; it is a pro-migration strategy because anyone who lives on the island of Puerto Rico and is a U.S. citizen can take a JetBlue flight to the United States and will then have overtime and minimum wage protections. If they are a senior, they will have full Medicare protection. If they are indigent, they will have Medicaid protections. They would have just about everything every other U.S. citizen would have.

All these provisions would do is intensify out-migration to the mainland, where Puerto Ricans are eligible for everything I just discussed. That is why my amendment strips these offensive and unrelated riders out of this bill.

I urge my colleagues to support these commonsense improvements to the bill by voting for my motion to table.

I have known for the past several weeks—well, maybe months since I started coming to the floor in September of last year and then urgently several times in December of last year to say now is the time to act so we are not up against an emergent situation—but, no, I guess the 3.5 million citizens of Puerto Rico did not deserve the type of attention and urgency we, as Members of Congress, should have given to them. I understood that for that period of time, the deck was stacked against the people of Puerto Rico, but I am not ready to give up just yet.

Put simply, PROMESA exacts a price far too high for relief that is far too uncertain. If we throw our hands up in the air and refuse to make changes to this wholly inferior bill, which we can protect by the retroactive nature that we have already put in the legislation to stay any judgments, we will cast a dark shadow on the future of Puerto Rico.

A vote against tabling my motion, against tabling the pending amendment, is a vote to disenfranchise 3.5 million Americans. It is a vote to authorize an unelected and all-powerful control board that could close schools, shutter hospitals, and cut senior citizens' pensions to the bone. It is a vote to force Puerto Rico, without their say, to go \$370 million further in debt to pay for this omnipotent control board which they don't even want. It is a vote to cut the minimum wage down to \$4.25 per hour for younger workers in Puerto Rico. It is a vote to make Puerto Ricans work long overtime hours without fair compensation or protection. It is a vote to jeopardize collective bargaining agreements. It is a vote to cut worker benefits and privatize inherent government functions. It is a vote to place well-heeled hedge funds and creditors ahead of the people. It is a vote to give the board the power to sell off and commercialize natural treasures that belong to the people of Puerto Rico. And at its worst, it is a vote to authorize an unelected, unchecked, and all-powerful control board that determines Puerto Rico's destiny for a generation or more.

Let's be clear. The people of Puerto Rico find this board to be offensive and disrespectful. In fact, according to a recent poll commissioned by Puerto Rico's largest newspaper, *El Nuevo Dia*, 69 percent of all respondents opposed—69 percent—opposed the PROMESA bill—the bill we are voting on today—while 54 percent opposed the very idea of having an oversight board.

Their concerns are validated by the nonpartisan Congressional Budget Office which, as I said earlier, says:

The board would have broad sovereign powers to effectively overrule decisions by Puerto Rico's legislature, governor, and other public authorities.

[It can] effectively nullify any new laws or policies adopted by Puerto Rico that did not conform to requirements specified in the bill.

Even the bill's own author noted in the committee report: "[T]he Oversight Board may impose mandatory cuts on Puerto Rico's government and instrumentalities."

If the board, in its sole discretion, as the bill cites 29 times, uses the superpowers in this bill to make mandatory budget cuts that harm the people of Puerto Rico, there is nothing anybody from Puerto Rico can do about it.

And these powers aren't limited to just budget and fiscal policy. As the bill states in section 205, the control board can submit recommendations to the Governor on a wide range of issues, including how Puerto Rico organizes its government agencies, how they meet the pension obligations, what services the government delivers, how they determine wage performance standards, and, perhaps most egregiously, the control board can submit recommendations on "the privatization and commercialization of entities within the territorial government."

While this section calls these comments recommendations, another section allows the board to "adopt appropriate recommendations" submitted by the Oversight Board under section 205. So, in essence, they can adopt the very essence of what they are saying is a recommendation.

The board can decide to hold a fire sale and put Puerto Rican natural wonders on the auction block to the highest bidder. Is that what the people of Puerto Rico want? Is that what we want?

The fact is, this legislation puts balanced budgets and untested ideology ahead of the health, safety, and well-being of children and families similar to how the control board travesty unfolded in Flint. Without their voices represented on the control board, there is nothing the people of Puerto Rico will be able to do. The fact that the Puerto Rican people will have absolutely no say over who is appointed or what action they decide to take is clearly blatant neocolonialism.

I am afraid we are opening the floodgates for Puerto Rico to become a laboratory for rightwing economic policies. Puerto Rico deserves much more than to be the unwilling host of untested experiments in austerity.

I am not advocating to completely remove all oversight powers. To the contrary, I support helping Puerto Rico make informed, prudent decisions that put it on a path to economic growth and solvency. But despite its name, the oversight board envisioned by this bill doesn't simply oversee; it directs, it commands, it controls. The control board has final say on the fiscal plan, final say on the budget. It can veto laws, contracts, rules, regulations,

executive orders. It can even mandate across-the-board budget cuts with no regard to the impact on the people.

So mark my words. If we don't seize this opportunity to address this crisis in a meaningful way, we will be right back here in a year, picking up the pieces. So while it is absolutely clear that we need to act and act decisively and expeditiously—

The PRESIDING OFFICER. The Senator has consumed 25 minutes.

Mr. MENENDEZ. I thank the Chair.

So while it is absolutely clear that we need to act and act decisively and expeditiously to help our fellow citizens—U.S. citizens in Puerto Rico—just as importantly, we need to get it right. Working together and helping each other in a time of need is what this country is all about. When a hurricane hits the Gulf Coast or a tornado ravages the Midwest or when we see wildfires in the West, or we see what happened in West Virginia, I don't stand here and ask how my constituents in New Jersey were affected. Rather, I stand with my fellow Americans and fight to provide relief, regardless of what State or territory they are from.

So it seems to me there is a reason we call this country the United States of America, and U.S. citizens enjoy the privilege of calling America home. The 3.5 million U.S. citizens in Puerto Rico are also part of that great American people.

As I have outlined, I have an amendment to make reasonable and targeted improvements to this legislation so that workers get the retirement they deserve, the people of Puerto Rico are protected from egregious attacks on their pay, the island has unimpeded access to restructure its debt, and, most importantly, the people of Puerto Rico have a say in their future—the consent of the governed, the very essence of what democracy is all about.

MOTION TO CONCUR WITH AMENDMENT NO. 4865

So, Mr. President, I move to table the motion to concur with amendment No. 4865, and I ask for the yeas and nays on my motion.

The PRESIDING OFFICER. Is there a sufficient second?

There appears to be a sufficient second.

The yeas and nays were ordered.

Mr. MENENDEZ. Mr. President, with that, I reserve the remainder of my time.

I yield the floor.

Mr. UDALL. Mr. President, once again, Congress has responded to a dire issue—in this case, the debt crisis in Puerto Rico. Friday, July 1, is a critical deadline for the island Commonwealth, the date when Puerto Rico must repay \$1.9 billion in debt service that it has repeatedly stated that it is unable to pay. If we had failed to act, over 3.5 million Americans would have faced an economic and humanitarian crisis.

The Commonwealth government has stated that, even after clawing back revenues from other parts of the public

sector like education, health, and public safety, it will not have sufficient resources to meet the entire debt service obligation due on July 1. That is just a few short days from now.

On January 27 of this year, I joined 44 of my colleagues in the Senate to urge Majority Leader MCCONNELL to work with us and swiftly enact legislation to give Puerto Rico access to the tools it needs to address the debt crisis. Over 150 days later, the Senate is only just beginning to act.

This Congress has dragged its feet on important issues, waiting until we are right up against dangerous deadlines to take critical action. Puerto Rico is just one example; funding to fight Zika is another. We saw these problems on the horizon long ago; yet the majority allowed the problem to build, permitted the crisis to grow, waited until the last minute, and, in doing so, restricted the Senate's opportunity to act.

The Senate has just passed the House-passed bill, the Puerto Rico Oversight, Management, and Economic Stability Act. I understand that this was a difficult issue on which the administration and Republicans and Democrats struggled to agree. This bill is far from perfect, but without it, the situation in Puerto Rico will worsen.

I share my colleagues' concerns about the unelected fiscal control board. Cuts to public services and public safety for the benefit of debt holders and financial speculators would be unacceptable. Also, just as Republicans tried to use funding to fight Zika as cudgel to push through cuts to the Affordable Care Act and reproductive health, they now are using the crisis in Puerto Rico to chip away at fundamental labor protections, such as overtime pay and the Federal minimum wage.

I supported the bill with these substantial reservations because it was critical to pass this legislation before July 1. The Senate would have been able to exercise its right of careful consideration and debate if this bill had been brought to the floor when we called for it in January. But today, the time was up. I urge Congress to stop this destructive pattern of procrastinating on difficult issues and waiting until the eleventh hour to act on critical issues.

The PRESIDING OFFICER. The Senator from North Dakota.

EXPORT-IMPORT BANK

Ms. HEITKAMP. Mr. President, I ask unanimous consent to display a replica of a wheel loader that is produced in North Dakota.

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

Ms. HEITKAMP. Mr. President, it may seem like an odd request, but it actually has a purpose because it reflects literally hundreds of jobs in my State—really, hundreds of jobs across the country.

June 30 will be an anniversary that is really not worthy of celebration; that is, it is the anniversary of when we lit-

erally shut down the Export-Import Bank and made it unable to function for the first time in its 80-year history.

Now, that may not seem like a lot. It may not seem as though it is something we should be very concerned about, but I can tell my colleagues that workers across our country—workers who work in manufacturing, individuals whose livelihood depends on exports from our country—know the impact today of this action, or inaction.

Despite the fact that Congress reauthorized the agency six months ago, the Ex-Im Bank has been hamstrung from supporting American jobs and businesses because there isn't a quorum on the Ex-Im Bank. For decades, the Export-Import Bank has helped level the playing field for American businesses and American workers, and it is past time for politics to stop dictating whether, in fact, the Bank can do its job.

The current nominee to the Ex-Im Bank Board—the nominee that would, in fact, provide a quorum—was nominated not by a liberal Democrat, not by the President, but instead was the Republican nominee to the Ex-Im Bank Board. His name is Mark McWatters. His nomination is currently pending in the Senate Banking Committee, and the Senate Banking Committee chairman has told us in no uncertain terms he will not bring up the McWatters vote in the committee because of his own personal opposition to the Ex-Im Bank. Again, despite the fact that 64 Republican and Democratic Senators, along with 70 percent of the Representatives in the House of Representatives, voted last year to reauthorize the Ex-Im Bank.

If we do not take this step—if we do not, in fact, get the Bank up and running—we will continue to do what we have been talking about, which is pink-slipping the American manufacturing workers.

So here we are today to recommend that this body take action so that no more workers—no more hard-working manufacturing Americans—are prevented from doing their job and are given pink slips and laid off.

When we look at where we were last year and the challenges that we had, we had an all-out debate. A lot of people say there wasn't a debate on this; we didn't get a chance to air our grievances. That is strictly nonsense. We fought this issue very hard, had many, many floor debates, many, many floor discussions about this, and at the end of the day, the vast majority of this body voted to reauthorize and put the Ex-Im Bank back to work.

So why are we in the spot we are in today? Because we cannot do any credit over \$10 million without approval of a bank board. It cannot be done unilaterally. As a result, many, many credits—in fact, \$2 billion worth of activity—are pending in the pipeline at the Ex-Im Bank.

When we look at many of the big companies across this country, a lot of

times people will say "Well, that is just about this company or that company"; fill in whatever big name corporation you want to. But the bottom line is this isn't just about those companies; it is about a supply chain that goes all the way down States as small as North Dakota.

If you look at Boeing, for instance, and you look at what the impact is on Boeing and what that means for our producers, Boeing currently has 16 suppliers in North Dakota, which will lose out—not just could lose out but will lose out—if Boeing doesn't get enough support from the Ex-Im Bank to sustain its operations and to continue to produce its planes with American workers.

Today I bring this wheel loader to the floor of the Senate, and I do that because this demonstrates the effect that this lack of activity on this nomination will have on Case New Holland in my State.

Case New Holland has a dealer in New Jersey called Hoffman Equipment that has secured an \$80 million deal with the country of Cameroon. The only way Cameroon can afford this deal is if they use Ex-Im financing. If the deal doesn't go through, facilities in three States will lose. So who are those? Take today North Dakota, where we produce these wheel loaders in Fargo.

The great irony of this is that as we have been challenged in our agriculture economy and agriculture manufacturing, guess what. Agriculture manufacturing is down, in part because we stimulated a lot of purchases back when the economy was good in farm country. But I will tell you that 70 people just in the last couple of weeks have been laid off at Case in Fargo.

Think of what is going to happen if we lose this sale. Think of what will happen to workers in Iowa if they lose the sale for the backhoes that are produced in Iowa by Case. Think about what is going to happen in Kansas if we lose the skid steer portion of that Cameroon sale.

I will tell you every day we are losing jobs because of the inability of the Ex-Im Bank to do its job in promoting and guaranteeing that American manufactured products find their way into the global marketplace.

GE announced in June that it will receive financing from the French export credit agency to support exports that will be made in France now rather than the United States. So the French credit export agency will be providing an additional line of credit for gas turbines that will be produced not in the United States but will be produced in France and exported to countries such as Saudi Arabia, Mexico, and Brazil. As a result, GE will invest \$40 million in the French economy instead of investing \$40 million in the American economy.

Do we know what that means? That means when we look at these jobs—just translate \$40 million, and we recognize a lot of that is input costs, but one of

the major input costs in all of this is American workers. How can we stand by and let this happen? How can we stand by and not fight for these jobs for American manufacturers? There is no way we can come to the floor and say we are for the American worker and not be for the Export-Import Bank. No way can we come to the floor and say we are for global competition that will put the best products into the marketplace, which are American products, and not move the Bank forward.

I am going to yield to my friend from the State of Washington or yield to my friend from the great State of Iowa.

Ms. CANTWELL. Mr. President, I wanted to ask the Senator from North Dakota a question, if I could. I see she has been out here with an actual display.

It is quite amazing that we have to go to this level to bring up an issue about jobs in our economy, but I admire the dedication of the Senator from North Dakota in saying how important it is because we are about to go home for another summer recess here in a few weeks and everybody thought last year we were passing legislation that was going to secure America's place in a global economy by making sure that products we make can be sold in overseas markets.

The secret is, though, that there are now 30 transactions worth more than \$20 billion that aren't getting done simply because one Senator refuses to let a nominee out of the committee. So one Senator is holding up the sale of a product of which Senator HEITKAMP has a replica on her desk. They are holding up the sale of airplanes, and they are holding up the sale of other products all because they don't want to have a functioning board. We are here to ask our colleagues on the other side of the aisle to help us break this logjam so we can sell export products.

I was curious to ask the Senator from North Dakota because she was mentioning how these transactions are happening now; that is, people are deciding to move.

Mr. President, I ask unanimous consent to have printed in the RECORD a New York Times article entitled "A Single Senator Stymies the Export-Import Bank."

It says that about 2 weeks ago, GE was making an announcement that they were going to expand manufacturing in France rather than in South Carolina, how they were investing in the Czech Republic instead of in Texas, and that jobs in South Carolina, Maine, and New York were also getting transferred to other countries.

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

[From the New York Times, June 27, 2016]

A SINGLE SENATOR STYMIES THE EXPORT-IMPORT BANK

(By Jackie Calmes)

WASHINGTON.—Thursday is an ignominious anniversary for the government agency that helps finance foreigners' purchases of Amer-

ican exports. Thanks to a single senator, it has been a full year since the 82-year-old Export-Import Bank could approve deals exceeding \$10 million, a limit that rules out high-dollar deals on airplanes, power generators, heavy equipment and nuclear reactors.

More than 30 transactions worth more than \$20 billion to American businesses are stuck awaiting assistance for their buyers, in the so far vain hope that Senator Richard Shelby, Republican of Alabama and once a bank supporter, will end his power play and allow the agency to fully function.

In turn, giants like General Electric and Boeing are shifting more operations and jobs abroad. Other nations' export-credit agencies are "rolling out the red carpet," said John G. Rice, the G.E. vice chairman.

Last June 30, the so-called Ex-Im Bank two blocks from the White House closed its door to all new business after a faction of conservative Republicans, denouncing "corporate welfare," blocked renewal of its charter.

In December, the bank's bipartisan supporters in Congress secured the agency's reopening, only to watch Mr. Shelby play what has proved to be a very strong hand. As chairman of the Senate Banking Committee, he bottled up President Obama's nomination of a third member for the bank's five-person board. Only the board can approve transactions of more than \$10 million; without a quorum of three it cannot. The resulting seven-month impasse reflects both the long-standing power of a single senator to block action in that institution, and the more recent ascendance in the Republican Party of conservative populists—hostile to all things big, business and government—over once-dominant pro-business types.

"It's very troubling to me, and I think a lot of others, that one person can hijack a process and keep the export credit agency from functioning in the United States when two-thirds of Congress support it," Mr. Rice said.

Two weeks ago, G.E. announced it would expand manufacturing of gas turbines in France rather than Greenville, S.C., in return for French export financing for sales in countries including Saudi Arabia, Brazil and Mexico.

Last September, G.E. announced a flurry of moves: creating up to 1,000 jobs in the Czech Republic to produce turboprop aircraft engines; shifting 500 power-project jobs from Texas, South Carolina, Maine and New York to France, Hungary and China; promising 1,000 energy-sector jobs in Britain, whose export bank will finance up to \$12 billion in G.E. sales to Brazil, Ghana, India and Mozambique; and relocating 350 engine manufacturing jobs from Waukesha, Wis., to a new factory in Canada. "Is it going to put G.E. out of business? Absolutely not," Mr. Rice said. "We can go to a plant in France, or a plant in Switzerland and Germany." But, he added, "A lot of our suppliers can't come with us."

Boeing is working with Britain's agency to finance airplane purchases for unspecified customers, on the condition that Boeing use Rolls-Royce engines. A company based in Bermuda canceled a contract for satellites, a company in Singapore declined Boeing's bids to sell satellites and Ethiopian Airlines wrote the manufacturer that the lack of Ex-Im Bank financing threatened "our ability to purchase Boeing aircraft in the future."

Mr. Shelby was unavailable over several days to discuss the issue, a spokeswoman said. She instead provided a statement that the senator "believes that his actions are in the best interest of the American taxpayer."

"Nearly 99 percent of all American exports are financed without the Ex-Im Bank," it said, "which demonstrates that the bank is more about corporate welfare than advanc-

ing our economy." The bank makes money, through proceeds from its loans and insurance lines, but conservatives cite the risks to taxpayers. The bank's chairman, Fred P. Hochberg, said he had not talked with Mr. Shelby all year, adding, "In Washington, not returning a call is an art form."

The Ex-Im Bank was created during the Depression as a lender of last resort for exporters' foreign customers that cannot get commercial loans. More than 60 countries followed the United States' lead. China's export credit operation is by far the largest.

By one measure, the lack of a quorum at the American bank would not seem a problem. In recent years, about 98 percent of applications for help have been for loans under \$10 million. But in dollar terms, two-thirds of all assistance has gone for deals exceeding that amount, mostly for customers of big-item manufacturers like Boeing, G.E., Caterpillar, Westinghouse and John Deere.

The bank's backlog of 30 transactions does not even count a multibillion-dollar deal for Westinghouse to build six nuclear reactors in India that was announced this month by President Obama and India's prime minister, Narendra Modi. That, too, will need a functioning Ex-Im.

"We will certainly need a quorum at the bank for the project's completion," said Courtney A. Boone, a Westinghouse spokeswoman.

Especially in the developing world, some countries require that exporters bidding for sales have backing from an export credit agency. So some American companies are seeking or accepting support from foreign agencies, which in turn require bidders to create jobs in their countries. Boeing did win a contract with VietJet for 100 American-made aircraft, a deal announced during Mr. Obama's visit to Vietnam in May. Financing will be arranged closer to delivery, leaving open the question of whether the Ex-Im Bank will help.

Foreign carriers like VietJet "continue to believe that the United States wouldn't be so foolish as to dismantle its Export-Import Bank," said Tim D. Neale, a Boeing spokesman. "But the other issue is to what degree does this have a chilling effect on ongoing sales campaigns for future deliveries?" Also in May, a Boeing official at its facility in Alabama publicly criticized Mr. Shelby, saying he was putting local jobs and suppliers at risk.

Mr. Shelby has stood firm, endearing him to conservative anti-government groups crusading to close the bank—and known to spend freely against politicians who cross them. Their blessing was especially important to the senator as he faced a conservative challenger in Alabama's March Republican primary. Mr. Shelby suggested to colleagues and reporters that he would let his committee act on the Ex-Im board nominee afterward. "He said, 'I can't do this before the primary,'" said Senator Sherrod Brown of Ohio, the senior Democrat on the banking committee. "We took that to mean he'd do it after he won his primary."

Yet Mr. Shelby continues to block Senate confirmation of J. Mark McWatters, formerly an aide to the Republican chairman of the House banking committee.

Senate Democrats recently tried to force a Senate vote, bypassing Mr. Shelby's committee, but they needed the Senate's unanimous consent. Mr. Shelby objected, without further word. "This is old school politics, right?—I'm the chairman and I can decide," said Senator Heidi Heitkamp, Democrat of North Dakota.

She added, "I don't go to bed worrying about the executives at Boeing or G.E., because guess what? They have options. The American worker doesn't have options."

Ms. CANTWELL. The whole point of the export credit agency is to give U.S. manufacturers the credit.

My point is that these products are agriculture based. If the Senator from North Dakota could explain, these aren't agricultural manufacturing products, but she is saying that there are also large-scale U.S. manufacturing products out of agriculture that also are not getting credit financing?

Ms. HEITKAMP. Absolutely, and if we don't move with haste, if we don't supply on time, we won't get the business.

The PRESIDING OFFICER. The time of the Senator from North Dakota has expired.

Ms. CANTWELL. Mr. President, do I have time reserved in the consent agreement?

The PRESIDING OFFICER. The Senator from Washington has 10 minutes.

Ms. CANTWELL. I yield whatever time for our discussion to continue of that 10 minutes.

The PRESIDING OFFICER. The Senator from North Dakota.

Ms. HEITKAMP. Why I think it is absolutely critically important to make this point, not just about what we produce but who produces it, is because at the end of the day, 95 percent of all potential consumers do not live in this country, and America still remains the best and most treasured producer of quality construction equipment in the world.

These are jobs that have helped my manufacturing sector that is dependent on agriculture, which has huge challenges right now. If we can't produce tractors that farmers are going to buy, we can produce construction equipment that everyone can buy to build infrastructure in their countries. There is a narrow view in this Congress, but 67 Senators voted to open up the Export-Import Bank and over 70 percent of the House of Representatives said: This is nonsense; let's open up the Export-Import Bank. Yet we are unable to do it because credit over \$10 million cannot be moved forward without the approval of the Bank Board, and the Bank Board cannot operate without a quorum. That is the bottom line.

Ms. CANTWELL. Mr. President, I wish to ask the Senator from North Dakota just one more question, because I want to make sure she continues to make her point and I know we have a colleague waiting. Aren't we here right now today to ask our colleagues that when we come back after July 4 and we have 2 weeks, we dedicate ourselves to this?

It is not every day that the Senate can be involved in an activity that creates so much economic value—\$20 billion in job creation—but we can get this done. So we are here asking our colleagues to step up and help us resolve this issue in whatever way possible.

If someone doesn't want to let a nominee out of committee because they made a promise to somebody, that

is fine. Let's put language somewhere in a product that is moving. We can look at the FAA bill. We can look at anything. But to go home for the recess, all the way through the month of August—leaving those farmers without economic closure to a deal that has been inked, to a sale that has been made, to jobs that are being created—because you won't let somebody have an operating majority on a board seems like a very drastic step. Is that why the Senator from North Dakota is here, to ask our colleagues to step up to the plate and help us resolve this before the July recess?

Ms. HEITKAMP. I thank Senator CANTWELL. That is why I am here. But I am also here to ask my colleagues to be empathetic, to understand what it would feel like if you were employed in a gas turbine business in one of the Carolinas and that business went to France because we couldn't figure out how to open up the Bank. How would you feel?

I think it is so important to not just reflect on our trade deficit but on the imperative of building our manufacturing base and our export base. If that is not enough of an economic argument, let's look at the microargument. Let's look at what is happening to American families because we aren't getting our job done here. So, as I said before, I don't go to bed worrying about the executives at GE or Boeing because they have options and they are exercising those options. Those options include moving to Canada and France. The American worker is not going to be moving to France to take those jobs. That American worker is getting a pink slip, and that is wrong. That is wrong in so many ways.

So I thank Senator CANTWELL for her steadfast and absolute commitment to opening up the Bank. I think everybody should have a moment of personal reflection, not just on the economics of this but on the impact this is having on literally thousands of American families.

The PRESIDING OFFICER. The Senator from Iowa.

Mr. GRASSLEY. Mr. President, I want to share my concerns about the Puerto Rico legislation we're considering.

I've been involved with this issue for quite a while now. This past December I chaired a hearing in the Judiciary Committee to examine the root cause of Puerto Rico's fiscal problems. At the hearing we learned that even when Puerto Rico's economy took a downturn, government spending did not.

Instead of making difficult decisions to cut spending and balance its budget, the government kept borrowing to finance its operations, using tax-exempt bonds to roll over debt. As a result, Puerto Rico now has one of the largest government deficits in the United States, and debt we're told isn't payable and must be restructured.

As many of you know, a wide array of investors own Puerto Rican bonds,

which are issued by roughly 17 different entities. According to Bloomberg, Puerto Ricans themselves hold \$20 billion of the debt.

Nearly 60 percent of Puerto Rico's debt is held largely in the individual retirement accounts and 401(k)'s of regular folks throughout the U.S. In fact, over 17,000 Iowans are invested in mutual funds containing at least one type of Puerto Rican bonds.

These folks aren't vultures. They are middle-class taxpayers who invested their hard-earned money into one of the many tax-exempt municipal bond funds containing Puerto Rico's bonds.

Why should they be forced by Congress to bailout Puerto Rico's government and pension obligations? The answer is they shouldn't, but unfortunately, there is no guarantee that these hardworking folks' investments, whether in Iowa or elsewhere, won't be haircut in order to fund pension obligations or Christmas bonuses for public workers in Puerto Rico.

This didn't have to be the case. At our December hearing I stated two principles that have guided me as this issue has progressed.

First principle, any inclusion of debt restructuring or bankruptcy should occur only at the end of the line, as a tool of last resort. Otherwise the control board will face too great of a temptation to use bankruptcy to balance the budget, as opposed to implementing all available means to increase and collect revenues, while reducing expenses within government.

Second principle, it would be a bad idea for Congress to permit Puerto Rico to walk away from its constitutional debt obligations through what some call an unprecedented super chapter 9 bankruptcy.

In fact, I received a letter from Governor Branstad of Iowa stating that granting Puerto Rico such authority "would set a dangerous precedent and likely raise the borrowing costs for States and municipalities across the nation, which would reduce our ability to invest in vital services and erode investor confidence in the whole notion of 'full faith and credit' debt."

Unfortunately, the House bill fails to meet the two principles I have outlined above. First, the bill operates under the presumption that the only way to balance the budget is to restructure debt.

This means that the oversight board will have more flexibility to avoid making difficult fiscal reforms to balance the budget, because the debt can simply be restructured.

In fact, one of the oversight board's first responsibilities is to create a fiscal plan that "provides adequate funding for public pension systems" and includes a "debt sustainability analysis." Neither of these terms are defined. The oversight board may very well read these terms as permitting full funding of pensions, while only funding "sustainable levels of debt service."

Not surprisingly, this is exactly what the Obama administration seeks to accomplish: protecting pensions at the

expense of other retirees. The effect this bill has for retirees in Iowa and elsewhere is that they must place their trust in an oversight board to act courageously and make hard decisions, lest they find themselves bailing out Puerto Rico's government.

Second, no matter what the House bill calls it, title III's debt restructuring authority, which allows for the restructuring of debt that is issued or guaranteed by Puerto Rico, is super chapter 9.

Investors and the municipal bond market have treated Puerto Rico like a State. Granting Puerto Rico the authority to restructure "state-like" obligations will be viewed as precedent for giving a State similar authority. Of course, no State is going to ask to be covered by the House bill. Rather, they will say if a territory can receive unprecedented authority from Congress, then why shouldn't a State? Illinois is watching this issue very closely.

Moreover, by creating this new authority Congress has invited material litigation risk.

Worst case, should the law be found unconstitutional under the Takings Clause, then the Federal government would be liable for money damages—the very definition of a bailout. And increased litigation will cause uncertainty, which is the last thing needed in Puerto Rico, making it impossible for Puerto Rico to access the capital market for years.

If that occurs, then mark my words, sooner or later we'll be considering whether to provide direct federal financial assistance to Puerto Rico, despite the claims that this bill doesn't result in a taxpayer bailout.

And given that Puerto Rico has failed to provide Congress with accurate financial information regarding their fiscal crisis, this unprecedented and risky authority appears both unnecessary and unjustified.

Given the bill's failure to satisfy the two requirements I have laid out, which unduly harm retirees in my State, and more importantly, while also setting bad precedent, I can't support this bill.

Perhaps my concerns will be proven wrong and the bill will work perfectly. But it's been my experience that bad facts make for bad law.

Unfortunately, I fear we are simply pushing this problem down the road and have failed to address the root cause of Puerto Rico's fiscal crisis at the expense of uncalled for risks and precedent.

Mr. President, I yield the floor.

I suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. GARDNER). The clerk will call the roll.

The bill clerk proceeded to call the roll.

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

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

#### RECESS

Mr. DAINES. Mr. President, I ask unanimous consent that the Senate recess until 4:40 p.m., with the time during the recess being charged to the Republican side.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

Thereupon, the Senate, at 4:20 p.m., recessed until 4:40 p.m. and reassembled when called to order by the Presiding Officer (Mr. GARDNER).

#### NATIONAL SEA GRANT COLLEGE PROGRAM AMENDMENTS ACT OF 2015—Continued

The PRESIDING OFFICER. The Senator from Tennessee.

(The remarks of Mr. ALEXANDER and Mr. CORKER are printed in today's RECORD during consideration of S. Res. 516.)

The PRESIDING OFFICER. The Senator from Louisiana.

(The remarks of Mr. VITTER pertaining to the introduction of S. 3120 are printed in today's RECORD under "Statements on Introduced Bills and Joint Resolutions.")

Mr. VITTER. Thank you, Mr. President.

I yield the floor.

The PRESIDING OFFICER (Mr. LEE). The Senator from Texas.

#### ZIKA VIRUS FUNDING

Mr. CORNYN. Mr. President, about 24 hours ago our Democratic friends filibustered an appropriations bill for \$1.1 billion that they themselves had said was an emergency, denying mothers pregnant with babies potentially like this one depicted here from suffering the devastating birth defects associated with microcephaly. You can see the shrunken skull associated with a shrunken brain—a devastating impact. This is the principal danger of the Zika virus, which heretofore had been limited to South America and Central America, places like Puerto Rico, sadly, and Haiti. The mosquito that carries this virus is native to Texas, Louisiana, Florida, and the southern most parts of the United States. So far the only cases—save one recently in Florida—of infection from the Zika virus have been from people who traveled to those regions and then returned to the United States. As I said, it appears there has been one reported case in Florida that has been contracted on the mainland of the United States.

I simply do not understand how the Democratic leader from Nevada and his colleagues could turn this public health crisis into a political circus. When a pregnant woman contracts Zika, it can cause microcephaly like this. Of course, you can imagine, even if you are just a woman of childbearing age, the possibility that you might contract Zika—not knowing how long that virus remains in your body—would cause tremendous anxiety. You can imagine what this devastating

birth defect does not only to the baby involved but to the families who must necessarily support them.

This condition is tragic. It can cause seizures, intellectual disabilities, hearing and vision problems, and developmental delays, and of course a premature death. That is the kind of life that awaits these children and the families of children born with microcephaly if they are fortunate enough to survive. As I mentioned yesterday, it was reported that a child with microcephaly was born in Florida. In this case, I stand corrected. That was not as a result of a mosquito bite in the United States, but rather the mother contracted the virus while in Haiti and traveled back to her home in Florida.

The simple point is, this is playing with fire. It was just a few weeks ago, actually May 23, 2016, when the Democratic leader insisted we immediately fund the President's request of \$1.9 billion in emergency funding. He said:

Instead of gambling with the health and safety of millions of Americans, Republicans should give our Nation the money it needs to fight Zika and they should do it now. Not next month, not in the fall—now.

I think the urgency Senator REID was expressing was felt by all of us, but we know there is a right way and a wrong way to appropriate money in the U.S. Congress. We have to pass legislation in the Senate, we have to pass legislation in the House, and then we have to come together in a conference committee to reconcile those differences. It is the conference report that is the product of a negotiation between the House and the Senate that funded this effort at the level that actually passed the Senate just a few short weeks ago. Every single one of our Democratic friends voted for funding the Zika crisis at \$1.1 billion. Yet yesterday, all but I believe one of our Democratic colleagues then voted against the very funding they said was an emergency back at the end of May.

We know given the warmer weather in the southernmost part of the United States and the fact that the mosquito that carries this virus is native to the southern part of the United States—we know this risk is on our doorstep, and it is really shameful our Democratic colleagues put politics ahead of sound public policy.

Here are some of the excuses they gave, and none of them withstand any sort of scrutiny.

First of all, they said: Well, this doesn't provide enough money, even though all of them voted for funding at this level of \$1.1 billion. They know that if in fact the public health needs in the country are significant enough that more funding is necessary, there will be an opportunity at some point, after due deliberation and discussion and appreciation for the nature of the problem and what the proper response would be for us to act again—but they already voted for funding at this level.

The next bogus argument is that this is somehow an attack on women's