

wireless broadband. Not only are 3G speeds approaching or even meeting administration broadband standards, but 3G will soon be replaced with 4G broadband, which will far exceed current standards. Subtracting the number of homes that had existing access to 3G wireless leaves only seven households in the Gallatin County service area unserved by broadband. It cost the U.S. taxpayer an astounding \$7,112,422 per household to provide broadband service to the truly unserved population.

I wish I could say this project is the exception, but I cannot. This funding was provided through the stimulus' \$3.5 billion Rural Utility Service Broadband Initiative Program. On average, this program cost the taxpayer over \$1,000 per household. In the projects analyzed by the Navigant study, 85 percent of the households served already had access to broadband.

Unfortunately, rural broadband subsidization has been long mismanaged by the Rural Utility Service. A 2009 inspector general report found that just 2 percent of Federal broadband buildout funds provided between 2005 and 2008 went toward unserved communities. The same IG report found that funds were also going to areas that were not rural at all. In fact, 148 of the communities provided with subsidized broadband between 2005 and 2008 were within 30 miles of cities with at least 200,000 inhabitants. We continued to see this occur in the stimulus funding, where in my home State, Cook County, home of Chicago with a population of 2.79 million, and suburban Will County received funds.

Ensuring connectivity in rural America is a worthy endeavor that will bring much needed economic development to small communities around the country. But as we face budget shortfalls and a crippling debt, we cannot afford to subsidize duplicative broadband service to urban and suburban areas.

Now, during the stimulus debate when the bill was considered by the full Appropriations Committee, I raised concerns with the then chair of the Agriculture Subcommittee, ROSA DE LAURO on this issue. I said it was a waste of money. I said that we should probably redirect the funds. I said that we should not support this legislation.

I was defeated in the House of Representatives and the stimulus bill was put forward. I even wrote a memo highlighting the waste in this rural broadband initiative.

Unfortunately now seeing—especially in Gallatin County, where we have now subsidized each recipient of unserved broadband services at a cost of \$7,112,422 per person—we have seen that the remarks that I made in opposition to this funding when I was a member of the House dramatically understated the waste to the U.S. taxpayer.

As we face a future of deficits and debt, we need to highlight the waste of the Rural Broadband Program, which

is why the July Silver Fleece award went to this program in Gallatin County, MT.

THE PRESIDING OFFICER. The Senator from Montana.

#### CUT, CAP, AND BALANCE ACT

Mr. TESTER. Mr. President, you should see the folks back in Montana and across this country as they watch the news and read the papers, shaking their heads. I do not blame them. I am shaking my head too because we just wasted 2 precious days debating a plan that wipes out Medicare and Social Security, a plan that guts veterans' benefits.

Yes, that is exactly what the plan did. That is exactly why I opposed it. It is incredible to me that some folks have no problem turning their back on America's seniors and America's veterans while at the same time preserving tax loopholes that benefit millionaires and Big Oil and Wall Street and corporations that ship our jobs overseas. That is why Montana and folks across this country are shaking their heads. They do not think much of what is going on in Washington, DC, these days.

My friends in the House know full well this bill is no friend of the seniors and it is no friend of the veterans. They know full well it would force deep cuts in Medicare and Social Security. They know this all so very well. So you know what they did. What do career politicians do when they want people to believe their plan to cut Medicare somehow exempts Medicare? They add language saying "exempt Medicare." That is what they did. Montanans deserve better, and Americans deserve better.

Let's look at the whole truth. Let's first talk about the cuts that are in the cut, cap, and balance plan.

This plan locks in cuts proposed by the controversial House budget plan—otherwise known as the Ryan plan in the House—and it locks them in for a full decade. That means you are going to see more than \$111 billion in cuts this year alone. That is 10 percent. Will it be a 10-percent cut to veterans health care or highway or water infrastructure or education? They will not tell us how they plan to make those cuts. Maybe they will take a little less out of our veterans but at the expense of the police and firefighters. Maybe they will take a few less dollars out of agricultural research but then kick a few more kids out of Head Start.

Now let's talk about the "cap." The plan caps Federal spending at 18 percent of gross domestic product, requiring even further spending cuts. Now, 18 percent brings us to a level this country has not seen since 1966, about the same time Medicare was created. Even Ronald Reagan advocated for a higher rate than 18 percent.

Here is the kicker: The small print you will not hear from the people who already voted for this bill is that the

annual interest on our debt and the very things this bill claims to exempt—Medicare, Medicaid, Social Security, veterans' benefits—will cost more than what is allowed under the cap. That means there is to be nothing left to spend on any other program—nothing. That includes the military, our infrastructure, homeland security, and just about everything else. So how is that going to work so that this bill protects Social Security and Medicaid? It will not unless you invent your own math. What are the lawmakers going to do? Do they really intend to close down the Pentagon? I doubt it. But that means they are going to have to go back and cut Medicare and Social Security. Under this bill, it is their only choice. The numbers simply do not add up.

The fact is, we were wasting time even giving it daylight in the Senate, and it is exactly why the folks back home are shaking their heads. They expect us to get a job done responsibly, using common sense in a way that does not dismantle Medicare, Social Security, or hurt our veterans.

I look forward to debating a bipartisan plan to responsibly cut the debt and cut spending. There is one being worked on right now. But the bill the Senate just voted on was not responsible. The Senate rejected it, and rightfully so. Now we need to move to a bipartisan plan that comes out of the middle, not from the partisan extremes.

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

THE PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

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

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

#### THE BUDGET

Mr. KYL. Mr. President, occasionally, political people say things they probably wish they hadn't said because they are quite foolish.

It is with great disappointment that I focus on something our President recently said. I do so not out of disrespect for him but because what was said is so fundamentally wrong that it deserves to be put out into the public for discussion and, frankly, to get some response from the President if he wishes to do that.

According to the National Journal, an article by Rebecca Kaplan, from July 21, the President said this:

I think what's absolutely true is that core commitments that we make to the most vulnerable have to be maintained. A lot of the spending cuts that we are making should be around areas like defense spending, as opposed to food stamps.

We are in a great debate about how we should figure out a way to end our deficit spending, get our debt under control. We have to raise the debt ceiling here in a few days. We have had a