

mired in an economic recession for more than a decade. Their unemployment rate is nearly 12 percent and the poverty rate is almost 45 percent. Tens of thousands of Puerto Ricans are leaving the island each year and, as Senator BLUMENTHAL said, 2.5 percent of the population left just this last year. That is the reality of this economic challenge. If we don't help Puerto Rico get back on its feet, stabilize, and grow its own economy, the alternative, sadly, will be many more people coming to the United States. If they wish to come, that is certainly their right, but we don't want to force them to come to this country because of dire economic circumstances in Puerto Rico that can be avoided.

The island has over \$70 billion in outstanding debt. According to Moody's, this debt load is approximately 100 percent of Puerto Rican's island's gross national product. Moody's also found that in fiscal year 2015, the debt service of the territory and its agencies amounted to almost 40 percent of the revenues available to the government—compared to an average in most States of 5 percent.

I noted an article in the Wall Street Journal not that long ago that quarreled with this 40 percent figure. They said it was less than half of that amount, and, therefore, it wasn't a dire situation. Yet we had a hearing before the Judiciary Committee with experts present, and it was very clear that 40 percent is a valid figure, not arrived at by political figures but by Moody's, a firm that is supposed to be expert in reaching that conclusion.

The Puerto Rican government was able to make large debt payments on December 1 only through some very contorted fiscal determinations. But another debt payment of \$332 million looms on January 1, and a default is a real possibility.

We had this hearing before the Senate Judiciary Committee. It was an eye opener. One of the witnesses that I remember specifically is Richard Carrion, the executive chairman of Puerto Rico's largest bank, Banco Popular. He testified that, as a banker, it was truly painful for him to ever talk about bankruptcy and not paying their debts. But Mr. Carrion went on to say that there needs to be some kind of bankruptcy or restructuring regime made available for Puerto Rico because the money just isn't there.

If Puerto Rico goes into default, the ramifications are frightening. Not only would a default threaten the island's fiscal stability, but it would also cause a humanitarian crisis where we have such a high rate of poverty. It would threaten access to essential services, such as education and even basic utilities.

It is true that there are a lot of factors that contributed to this financial situation, and there is no silver bullet to fix all of these problems. But one step that would certainly help is to allow Puerto Rico to use Chapter 9 of

the Bankruptcy Code, and that is what Senator BLUMENTHAL's legislation proposes.

About \$20 billion of Puerto Rico's \$70 billion debt is debt issued by municipalities and public corporations. Chapter 9 creates a mechanism for a State to allow a municipality or public corporation to restructure its debts in bankruptcy. This authority has been used over and over again, but Congress passed an unusual law in 1984, which no one has been able to explain. It contained a provision that excluded Puerto Rico specifically from Chapter 9. No other State or territory was excluded except Puerto Rico. There is no legislative history to explain why Puerto Rico was singled out.

It appears that the bar on Puerto Rico using Chapter 9 bankruptcy was either an error or it was an intentional discrimination against this territory and its 3.5 million American citizen residents. Either way, it is time we correct this inequity, if not for the simple fairness of the argument, then for the point being made by Senator BLUMENTHAL earlier: So many of these Puerto Rican residents have literally risked and given their lives in defense of the United States. There is absolutely no excuse for discriminating against these people.

I am a cosponsor of Senator BLUMENTHAL's bill that would allow Puerto Rico to use Chapter 9. This would create a backstop to address a significant portion of Puerto Rico's debt.

The availability of a bankruptcy process would also create an incentive for creditors, bondholders, and others to negotiate voluntary restructuring. The option of bankruptcy helps bring all the parties to the negotiating table because typically it is a dose of reality.

I regret that not a single Republican has been willing to cosponsor this bill, and I don't get it. I just don't understand it. I regret that the Republican majority has been unwilling to bring the issue of Puerto Rico bankruptcy reform to the Senate floor. It should have been brought to the floor. It is timely, and it is important. Nobody wants to encourage bankruptcy, but the Founding Fathers recognized the importance of this legal option in giving individuals and institutions the ability to dig out of debt in an orderly fashion. That is why Congress's power to enact bankruptcy laws was actually written into the Constitution.

Furthermore, the bankruptcy process is well-known and understood. It is not a Federal bailout because it won't cost the taxpayers a dime if Puerto Rico chooses bankruptcy. In contrast, if Puerto Rico defaults, we will face a new, uncertain future that may well require Federal corrective action and may cost money. These steps likely would be far more upsetting to creditors and taxpayers in the United States than any bankruptcy process.

We know that bankruptcy reform is not the silver bullet solution. There

are other steps that should be taken when it comes to tax laws, health care reform, and fiscal oversight that would help Puerto Rico. But it is clear that Congress has to act.

I want to commend my colleagues again for joining me on the floor to raise this important issue. We cannot ignore this crisis. Puerto Ricans are American citizens. Puerto Rico's challenges are America's challenges. And the clock is literally ticking.

I urge my Republican colleagues to support Senator BLUMENTHAL. This modest bankruptcy reform bill will help us step forward to solve this problem. We need to work with the administration and with both political parties to chart a fair and responsible path forward for Puerto Rico.

Mr. President, I yield the floor.

The PRESIDING OFFICER. The Senator from Utah.

OMNIBUS AND TAX EXTENDERS

Mr. LEE. Mr. President, here we are again: another year of legislative dysfunction capped by an undemocratic, unrepugnant process that uses the threat of another manufactured crisis to impose on an unwilling country the same broken government policies that have repeatedly failed the people they are supposed to serve.

The bills moving through Congress today and tomorrow, made up of the omnibus spending bill and the tax extenders package, and the process that produced it are an affront to the Constitution—to the very idea of constitutionalism—and an insult to the American people we were elected to represent.

I am not even talking about the substance of the bill, which is bad enough and which I will get to in just a moment. I am talking about the way it was produced. A small handful of leaders from the two parties got together behind closed doors to decide what the Nation's taxing and spending policies will be for the next year. Then, after several weeks, the negotiators emerged, grand bargain in hand, confident the people they deliberately excluded from the policymaking process would now support all 2,242 pages of the legislative leviathan that they cooked up. This is not how a self-governing—or a self-respecting—institution operates, and everyone here knows it.

The leaders who presided over these negotiations were elected, just like the rest of us, to represent the people residing in their State or congressional district and not the entire population of the country. Yet they excluded 99 percent of the country from this process, as if their representatives are just partisan seals trained to bark and clap on cue for their leaders.

That anyone is celebrating this bill as some kind of achievement is further evidence of how out of touch Washington has truly become. Indeed, the very premise of this process—that the established leaders of the two parties

can accurately and fairly represent 320 million Americans—is itself absurd. This isn't just my opinion; it is the opinion of the vast and bipartisan majority of our constituents.

Seventy percent of the American people think the country is on the wrong track, and Congress, for its part, is the least trusted institution in this country. A dwindling minority of Americans trust the Federal Government to do what is right for the country.

The country doesn't trust us or respect us. And if we pass this bill and assent to the secretive, undemocratic process behind it, we will be telling the country, loud and clear, that the feeling is mutual. All of this is before we even get into the substance of this bill. We are being told that the omnibus and tax extenders grand bargain is a legislative accomplishment of the highest order—some kind of shining example of what can happen when the two parties in Washington come to together to “get things done.” In a sense, I don't disagree. This bill is the textbook example of how Washington actually works, and that is precisely the problem because all too often, when Washington works, it does so not for American families, workers, or future generations, but for political elites and the sprawling ecosystem of lobbyists and special interests that subsist on the Federal Government's largesse.

This bill is a case study of Washington's bipartisan bargains turning into special interest bonanzas. Like so many policies that come out of Congress today, the omnibus and tax extenders have something for everyone.

Maybe you are a Puerto Rican rum distributor or exporter. If you are, this bill has you covered. It renews an underhanded tax scheme whereby the United States imposes artificially high import taxes on rum from Puerto Rico and then sends the proceeds back to the island's government.

Perhaps you own a stable, multi-million-dollar racehorses, or maybe a NASCAR speedway. In either case, you are in luck, too, because this bill maintains the profitable accelerated depreciation schedules carved out in the Tax Code just for you.

Maybe you run a salmon fishery and you are concerned about genetically engineered salmon cutting into your market share. Don't worry, there is something in this bill for you, too—a provision that empowers the Food and Drug Administration to use its regulatory powers to block genetically engineered salmon from hitting the grocery store shelves.

Puerto Rican rum exporters, racehorse owners and breeders, speedway owners, salmon fishermen—this bill has something for everyone except for one group: the hard-working individuals and families living in one of America's forgotten communities left behind by Washington, DC's, broken status quo.

I will be the first to admit there are some laudable provisions in both the

spending and the tax bill that make some important policy reforms. There is the 2-year moratorium on ObamaCare's ill-conceived medical device tax and the defunding of ObamaCare's cronyist Risk Corridor Program. There is the lifting of the government's foolish ban on crude oil exports and the extension of several sound tax provisions that never should have been temporary in the first place. But the process has been rigged so that we can't vote on these commendable policy reforms by themselves. In fact, we can't vote for any one of these sensible, positive reforms without also voting for each and every dysfunctional, irresponsible, and unsustainable policy found in the 2,000-page bill—a bill, by the way, we received 36 hours ago—nor, it appears, will we have the opportunity to amend a single provision found within this massive legislation.

This is a “take it or leave it” proposition. That means no up-or-down votes on controversial provisions that Members of the House and Senate as of 36 hours ago had no idea were going to be in this bill. There will be no up-or-down vote on the President's controversial Green Climate Fund; the unpopular and unwise cyber security measure; the divisive rules promoted by the Department of Housing and Urban Development; and the backdoor tweaks to the H-2B immigration visa program—all hidden within the pages of this bill, none of which saw the light of day, none of which saw committee action, none of which had the opportunity to be debated and discussed and changed, improved, amended until 36 hours ago and still will have no opportunity to be changed, improved, or amended even after they hit the floor.

We will not have a chance to add the priorities of the more than 500 Members of Congress who were not in the negotiating room. So all Members who weren't there are left out of the process altogether. For instance, Members of Congress from Western States, including my home State of Utah, have been working tirelessly for months on a provision to prohibit the Bureau of Land Management from using government funds to implement the Bureau's land-use plans in the nearly 67 million acres of sage grouse habitat situated on western Federal lands.

Amendments to strike or to add those provisions might have succeeded or they might have failed, but either way, the American people at least would have known where their representatives stood on these issues. With that transparency comes accountability, credibility, and ultimately trust. If the House and Senate actually voted for these measures as amendments to the spending bill, I might not like it, but it would at least put the question back into the hands of the American people and their elected representatives instead of deliberately taking it from them.

Our credibility is on the line here. There is still time to get it back. We

can still fix this. We can hit the reset button. We can pass a short-term, stop-gap spending bill and then come back to this in the new year and give it the time it deserves, approach this with the kind of process for which this body has always up until now been known. Give the American people back their voice. Let's keep the government funded but buy ourselves more time so that this can be debated, discussed, improved, changed, and, where appropriate, amended.

Mr. President, I yield the floor.

The PRESIDING OFFICER. The Senator from Oregon.

OMNIBUS TAX PROVISIONS

Mr. WYDEN. Mr. President, I wish to take a few minutes this afternoon to talk about the tax provisions in the agreement before us. I want to start by making sure that people understand what this is really all about. This is the biggest bipartisan package that provides real tax relief for working families in literally decades. It is the biggest anti-poverty program Congress has moved forward in decades. So being able to do all of this for working families and help millions of Americans find their way out of poverty is, in my view, something particularly important—the largest bipartisan tax agreement in 15 years.

I want to spend a few minutes describing how this came together, why it is such an important piece of legislation, and what it means for the cause of tax reform.

Hundreds of thousands of Oregonians and millions of families across the land count on the child tax credit and the earned-income tax credit to make ends meet. More than 100,000 Oregon students and millions of students nationwide count on the American opportunity tax credit to help them pay for college. These are concerns Senator MERKLEY and I heard directly from students at the roundtables we held recently at the University of Oregon and at Southern Oregon University. In my view, they are bedrock priorities for working families when it comes to taxes.

Starting more than a year ago, all of my Democratic colleagues on the Finance Committee came together around the principle that when Congress took up the temporary tax cuts known as extenders, these vital individual tax incentives for working families would be our special priority. If our colleagues on the other side insisted on making certain business-related tax breaks permanent, we were going to make clear at every single opportunity that the tax cuts for working families and students would have to be made permanent as well.

Back in 2009 when these working family tax cuts were actually expanded, there were some Members here in the Senate who said they would never allow them to become permanent. In effect, what they said is that