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United States Senate

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My Fellow Arizona Citizens:

As the year draws to a close, I'd like to take the opportunity to reflect on all of the work we've accomplished in 2015 for the State of Arizona, and reaffirm my priorities for 2016 and beyond.

Republicans took control of the majority in the Senate this year, and immediately got to work for the American people. In the last year, we've advanced important legislation, including:

- First Obamacare repeal that will reach the President's desk
- First budget passed since 2009, and the first balanced budget since 2001
- First significant education reform since 2001
- Most significant defense reform bill in decades
- Measures overturning Obama-era EPA overreach, including carbon rules on new and existing power plants and waters of the U.S., reach the president's desk
- First multi-year highway bill since 2005, the longest since 1998
- Important legislation ensuring veterans get quality mental health services becomes law
- First major Trade Promotion Authority bill since 2002
- Major cyber-security measure passes Senate
- First time legislation authorizing Keystone XL pipeline passes Senate

There's a lot that we accomplished together in 2015, and much more work still to be completed. I look forward to keep fighting for you, your families and our state as hard as we did this year in 2016 and the years to come.

Defense and National Security

This year, I became chairman of the Senate Armed Services Committee as challenges around the world became increasingly complex and dangerous. Over the last 12 months, the committee provided strong oversight and leadership that have helped lay the groundwork for policies that position our nation for greater stability and security. Since January, our committee has held over 60 hearings, taking testimony from leading government officials, statesmen, thinkers and military commanders; 24 briefings; and eight meetings with foreign delegations.

I'm proud of the prominent role the committee has played in the major national security debates of the year, including the president's failure to develop a coherent strategy to defeat the Islamic State of Iraq and the Levant (ISIL); widespread instability in Syria, Iraq, Afghanistan and elsewhere; the president's dangerous nuclear deal with Iran; Russian belligerence in Ukraine and Syria; and China's aggressive posture in the South China Sea.

The committee was especially successful in getting enacted into law this year's bipartisan *National Defense Authorization Act for Fiscal Year 2016* (NDAA), which passed the Senate by a vote of 91 to 3 and was described by the Heritage Foundation as "one of the biggest defense reform bills in decades."

For example, the NDAA modernizes an outdated 70-year-old military retirement system that extends retirement benefits to over 80 percent of service members. The NDAA also cuts unnecessary spending and reinvests savings in enhancing the capability of our warfighters – not Pentagon bureaucracy. In addition, the law reforms how the Pentagon acquires major weapon systems to ensure that we retain technological superiority over our adversaries and help local defense contractors and small businesses in Arizona that do not traditionally do business with the Pentagon supply and equip our troops with modern equipment and systems faster and easier. Furthermore, the bill authorizes funding to support critical national security priorities, including \$300 million in security assistance and intelligence support to Ukraine; \$50 million for maritime security in the South China Sea; and \$3.8 billion for the Afghanistan Security Forces Fund.

The NDAA also strengthens Arizona's important contributions to national security. For example, we successfully prevented the Air Force from retiring the A-10 fleet, many of which are stationed at Davis-Monthan Air Force Base. With dozens of A-10s deployed to the Middle East to fight ISIL and to Europe to strengthen NATO's efforts to deter Russian aggression in Ukraine, abandoning the A-10 would only serve to make a dangerous world all the more so. The NDAA similarly protects the unique electronic capabilities of the EC-130 Compass Call aircraft at D-M, which has been vital to disrupting enemy command and control operations and enabling our commanders in the field to provide jamming and electronic warfare capabilities to protect our troops on the ground.

Perhaps most importantly, this law includes several provisions that will improve the quality of life for our service members. It authorizes special pay raises and bonuses for our troops, while providing care to our injured and ill service members and their families.

I was also proud to help advance information-sharing legislation that will help the United States identify those responsible for launching cyberattacks and ultimately deter future attacks. Arizona businesses are under assault by cyberattacks from a variety of increasingly sophisticated adversaries, including China and Iran who threaten our national security, economic strength and privacy. There's much more work to be done to strengthen cyber defenses and protect Arizona businesses and consumers, and I will continue to make this a priority in the years to come.

Unfortunately, the national security challenges we face today will only continue to grow more complex as the president fails to lead in the world. I will be doing everything I can as Chairman of the Senate Armed Services Committee to push the Obama Administration to develop a coherent strategy to defeat our adversaries and keep the United States and its citizens safe.

Border Security and Immigration

I also continued to advance policies that enhance border security operations and improve our broken immigration system. For example, this year's NDAA authorizes \$170 million to enhance border security and interdiction operations to keep our communities safe. In addition, I introduced

legislation to require the Department of Homeland Security (DHS) to screen social media websites and publicly available information of prospective foreign travelers or immigrants seeking to enter the United States. It is unacceptable that DHS has not already been taking such commonsense steps when screening individuals entering this country.

The investments we have made to secure our borders are beginning to pay off. Apprehensions, the primary means of measuring border security, have been in decline since 2010. For example, in the Tucson Sector of the Border Patrol, apprehensions have fallen by 70 percent from 2010 through 2015. While apprehensions in Arizona are down to record lows, I will continue working to expand the deployment of technology along the border and help expand border agents' access to patrol federal lands. The Integrated Fixed Towers that have already been deployed along the border near Nogales have been critical to enabling 24 hour/7 day-a-week surveillance and total situational awareness, and I'm confident that the additional towers to be completed in Douglas, Sonoita, Ajo, and Tucson will enhance our ability to secure the border once and for all.

While technology is crucial to border security, so too is manpower. That's why I was proud to work with Senator Jeff Flake to get the *Border Jobs for Veterans Act* signed into law. This bill requires the Department of Defense and the Department of Homeland Security to work together to recruit and quickly hire outgoing military service members for Customs and Border Protection officer positions at U.S. ports of entry along the border. The bill addresses chronic understaffing at our ports of entry, helps our outgoing service personnel find much-needed jobs, and improves the security of our border communities.

Finally, I've been pleased to work with Governor Ducey to combat the trafficking of heroin and other narcotics into Arizona's communities under the Defense Department's Law Enforcement Support Office program, and will continue to support our state's efforts to track and disrupt key smuggling routes throughout southern Arizona.

Repealing and Replacing Obamacare

Reforming our health care system to alleviate Obamacare's burden on Arizonans remains one of my top priorities. This year, Congress finally sent to the president's desk a bill that would repeal Obamacare. The bill would get rid of both the individual and employer mandates; eliminate draconian tax increases like the medical device tax, the prescription drug tax, and the health insurance tax; and, most importantly, restore the patient-doctor relationship that Obamacare has decimated. With Arizona consumers expected to see their premiums skyrocket by an average 17.5 percent next year, this bill marks a critical step towards building a bridge past Obamacare to sensible health care reform and a better future.

I also reintroduced the *Obamacare Opt-Out Act of 2015*, which would give Americans the freedom to opt-out of the individual mandate so they aren't forced to pay a hefty penalty if they choose not to enroll in Obamacare. Obamacare is the wrong solution to an ailing healthcare system, and I will continue to support its repeal and replacement in Congress with a commonsense, free-market approach.

I believe that we should do everything we can to keep health care costs low for our citizens. That's why I once again advanced legislation that would reduce prescription drug costs for

Americans, especially the elderly, by enabling Americans to buy safe and affordable prescription drugs from Canada. In addition, I cosponsored legislation that will protect America's small businesses from increasing health insurance premiums by repealing a key Obamacare provision that defines state-based small group markets.

Furthermore, I fought to protect Arizonans from the closing of Meritus Mutual Health Partners (MMHP), one of 23 fiscally unsound "consumer operated and oriented plans" (CO-OPs) established by Obamacare. To date, a total of \$2.4 billion taxpayer dollars have been doled-out to these CO-OPs in the form of low-interest loans, with over half having failed in less than two years. In fact, all but two of these 23 CO-OPs incurred net losses in 2014 and the only CO-OP turning a profit is reportedly now losing "millions."

Finally, I continued advocating for residents of Mohave County, Arizona by introducing legislation that would make citizens exposed to radiation as a result of above-ground nuclear bomb testing during the Cold War eligible for federal compensation.

Jobs and the Economy

This year, Congress finally passed Trade Promotion Authority (TPA), which gives the president fast-track authority to complete trade agreements that eliminate trade barriers, set rules to level the playing field for American companies and create U.S. jobs. With international trade supporting more than one-in-five American jobs, which pay nearly 20 percent higher salaries, these agreements hold tremendous potential for businesses in Arizona and across the country.

TPA paved the way for finalizing the Trans-Pacific Partnership (TPP) agreement, which will increase Arizona's more than \$19 billion in international trade, spur economic growth, create new jobs, and keep costs low for our state's consumers. Early estimates indicate this vital trade agreement will create 17,000 new jobs for Arizonans and significantly expand foreign direct investment in Arizona. I will continue advocating for these and other international trade agreements that will ensure Arizona can compete in an increasingly competitive global economy.

I also stood up for Arizona businesses by opposing scores of federal climate change regulations that President Obama has imposed over the last two years. These executive actions gravely threaten Arizona small businesses and consumers. According to a recent report by the American Action Forum, just 18 of these regulations will saddle our slowly-recovering economy with more than \$110 billion in potential costs, with billions more in unknown burdens.

For example, I joined the Arizona business community in strongly opposing the so-called "Clean Water Rule," a regulation of unprecedented scope that expands the federal government's authority over roughly 60 percent of all waterbodies. This regulation particularly threatens Arizona's agriculture and homebuilding sectors, which account for most economic activity in our state. I cosponsored legislation with Senator Flake to kill this rule, and recently voted for two similar bills on the Senate floor. In addition, I cosponsored two bipartisan Senate resolutions that would stop the Obama Administration from moving forward with the "Clean Power Plan" rule. This rule would disproportionately affect Arizonans who will be forced to foot the bill for millions in added compliance costs as a direct result of the Obama Administration's executive overreach.

I've also worked to rein-in an obscure power agency run amok, called the Western Area Power Administration, by making sure it is subject to congressional oversight. While Western is tasked with delivering hydro-electric energy to Arizonans at the lowest possible rate, its overhead costs have skyrocketed in recent years, costing customers millions of dollars more a year. I will continue to do all I can to make sure that Western's customers are protected against the agency's unnecessary and excessive spending.

Furthermore, I worked to support businesses across rural Arizona by ensuring that the Apache Railway Company continues to operate in Navajo County. This railroad's operations are essential to businesses across the county and the vitality of the surrounding community. Now, Apache Railway will continue to ensure that much-needed jobs remain in this important part of the state and attract millions of dollars' worth of new industries to the area.

Education

Of course, our country's future is dependent upon the next generation, and I worked to ensure we give our children the best quality education they need to succeed. I was proud to support landmark legislation enacted into law this month that will help parents take back control of their children's education. The bill takes an important step in returning control to states, teachers and parents over preparing our children for success by effectively getting rid of Common Core and repealing federal testing requirements of *No Child Left Behind Act*.

I also successfully included a provision in this bill that will let Arizona and other states propose how they could use limited federal education dollars to provide low-income students access to high-performing charter, magnet and traditional public schools. I'm proud of Arizona's success in giving parents the freedom to choose which schools are best for their kids. We should give other states the opportunity to follow.

Veterans Health Care

I continued fighting for our veterans and their right to receive timely, quality health care following the scandal in care that first came to light at the Phoenix VA last year. While it has been a year since I helped enact landmark VA reform legislation, it is clear that wait-times are still far too long and quality of care far too poor for our veterans at the VA.

I believe that all veterans should have flexibility they need to receive the best quality care. This year, I introduced legislation that would make the three-year pilot of the Choice Card program established by the VA reform bill, which is currently restricted to veterans facing unreasonable wait times or who live more than 40 miles from a VA facility, permanent and universal. I also continued to press the VA at every corner to help veterans gain access to the Choice Card and have the information and support they need to use it; enhance quality of care at facilities across the country; and hold corrupt VA executives accountable for wrongdoing. I will not rest until our veterans receive the best care they have earned and deserve.

I was also proud to author the *Clay Hunt Suicide Prevention for American Veterans Act*, which unanimously passed the Senate and was signed into law earlier this year. With an average 22

American veterans committing suicide each day, this bill consolidates and improves existing mental health programs; provides new incentives to attract more psychiatrists to treat veterans through the VA; and enhances mental health care resources for transitioning veterans, especially combat veterans. Our nation has a long way to go to decrease the rate of suicide among our returning service members, but this bill is an important step toward improving the care we provide to the men and women who have sacrificed for all of us.

Transportation

Congress finally passed a long-term highway bill that will provide the funding certainty Arizona officials need to repair our aging roads and improve critical infrastructure, while enhancing safety for all Americans. This bill includes provisions I sponsored to help drive Arizona's economic growth by paving the way for a Sonoran Corridor and the future I-11, which will enable Arizona to become a key part of an international trade route that reaches from the southern border all the way up to Canada. As the population in Arizona continues to grow and innovative businesses increasingly settle in our state, we must ensure that we have the infrastructure in place to foster economic development, international trade and job creation.

I also worked to address community concerns associated with recent flight-path changes at Phoenix Sky Harbor International Airport. Since September 2014, these updated flight patterns have led to a drastic increase in noise, greatly impacting the daily lives of the surrounding community. I share the concerns I have heard from the airport, local representatives, and residents about the lack of outreach and engagement by the Federal Aviation Administration (FAA) before these changes were implemented. I will continue to advance legislation that would require the FAA to engage with communities and airports before making future flight path changes, and to develop a plan to mitigate negative noise impacts on the communities that have already been affected.

Natural Resources

Sound stewardship of our natural resources continued to be one of my top legislative priorities this year. I reintroduced the *FLAME Act Amendments of 2015* with Senators Flake and John Barrasso, which would increase the Forest Service's budget for fighting wildfires and expedite forest-thinning on seven million acres across the West. I am pleased to report that the year-end spending bill funds the Forest Service' firefighting budget at levels similar to what we proposed in the *FLAME Act*. In 2016, I'll continue to make sure that Arizona's timber industry thins acreage to make our forests healthier and less prone to catastrophic wildfire under the Four Forests Restoration Initiative (4FRI) incentives.

Much of the Southwest continues to suffer under drought, and Arizona is no different. I continue to work with Senator Flake to advance legislation that would improve water management in Arizona by enhancing dams, reservoirs and other water storage systems, as well as by reducing invasive plants, like the salt cedar tree, which consumes approximately 840,000 acre-feet of water from Arizona's watersheds each year.

Just this month, the Senate Committee on Energy and Natural Resources passed a bill that I introduced that would allow hunters to cull an unmanageable herd of hybrid bison-cattle that has

entered the Grand Canyon National Park and damaged park grasses, vegetation, and riparian habitat. Instead of using government-hired contractors to shoot or trap the bison, my bill, which is widely supported by Arizona hunting organizations and the Arizona Game and Fish Commission, would let hunters remove these bison as a volunteer service at no cost to the American taxpayer and take home the bison meat.

Indian Affairs

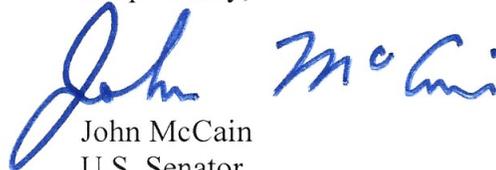
I continued my longstanding work advocating for Native American tribes across Arizona and the West. Last year's NDAA includes a measure that enables the Pentagon to transfer between 125 and 200 excess mobile homes to Native American reservations. Such homes have been long sought by the leaders of the Navajo Nation, which has been struggling with substandard housing and high unemployment. I also proudly cosponsored the *Indian Tribal Energy Development and Self-Determination Act Amendments of 2015* that would give tribal governments greater ability to manage solar, wind, natural gas, and other energy development on their land by cutting red tape at the Department of the Interior.

Of course, the Environmental Protection Agency's (EPA) disastrous release of three million gallons of toxic wastewater from the Gold King Mine in Colorado that flowed into the Animas River, the San Juan River, and Lake Powell in northern Arizona, has badly threatened the Navajo Nation. In August, I called for the Senate Indian Affairs Committee to hold an oversight hearing on the spill, which I'm pleased will take place in Arizona in early in 2016. I will continue to work with tribal and state leaders to make sure the EPA to monitors and cleans up this spill.

These are just a few legislative actions I'm proud to have delivered to Arizona in 2015. Given all the challenges ahead, now is not the time for complacency or self-satisfaction. Our past successes are blocks we must build on as we pursue bigger goals in 2016 for Arizona families and communities. I promise to serve you with all my energy and draw on all my experience to help you thrive in peace and prosperity, always grateful for the awesome responsibility you've entrusted to me.

From me and my staff, always at your service, thank you and have a Merry Christmas and a Happy New Year!

Respectfully,

A handwritten signature in blue ink that reads "John McCain". The signature is stylized and cursive.

John McCain
U.S. Senator