The Senate met at 10 a.m. and was called to order by the President pro tempore (Mr. HATCH).

PRESIDING OFFICER
The President pro tempore led the Pledge of Allegiance, as follows:
I pledge allegiance to the Flag of the United States of America, and to the Republic for which it stands, one nation under God, indivisible, with liberty and justice for all.

RESERVATION OF LEADER TIME
The PRESIDING OFFICER (Mrs. CAPITO). Under the previous order, the leadership time is reserved.

CONCLUSION OF MORNING BUSINESS
The PRESIDING OFFICER. Morning business is closed.

TAX CUTS AND JOBS ACT
The PRESIDING OFFICER. Under the previous order, the Senate will resume consideration of H.R. 1, which the clerk will report.
A bill (H.R. 1) to provide for reconciliation pursuant to titles II and V of the concurrent resolution on the budget for fiscal year 2018.
Pending:
McConnell (for Hatch/Murkowski) amendment No. 1618, of a perfecting nature.
Wyden (for Nelson) motion to commit the bill to the Committee on Finance, with instructions.

The PRESIDING OFFICER. The Senator from Colorado.
ORDER FOR RECESS SUBJECT TO THE CALL OF THE CHAIR
Mr. GARDNER. Madam President, I ask unanimous consent that following the remarks of the Senator from Wisconsin, the Senate stand in recess subject to the call of the chair.

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

RECOGNITION OF THE MINORITY LEADER
The Democratic leader is recognized.

GOVERNMENT FUNDING
Mr. SCHUMER. Madam President, before I address the issue of taxes, let me address the matter of the government funding bill.
We are now only a week away from a government shutdown, which, to remind my colleagues, could cost our economy thousands of jobs and billions of dollars, as it did in 2013. I think a government shutdown is something we all desperately want to avoid. Democrats and Republicans—I talked to some of my colleagues this morning—with the exception, it seems, of the President.
This morning’s Washington Post reports that President Trump has told his confidantes that a government shutdown could be good for him politically. It is disappointing but maybe not surprising that President Trump appears to be putting politics before the well-being of the American people. As President, the welfare of the American people should always come first—always.

We have a lot of things to accomplish by the end of the year, and a government spending deal is particularly important for our men and women in uniform, as well as a host of programs that create jobs and boost the economy.

The President talks about defending the troops and then threatens a shutdown. It is a contradiction—a contradiction—and I am sure our generals would tell him that even playing around with the possibility of sequestration and shutting down the government is no good for our armed services, as well as for the rest of the country.

We should all be focused on avoiding a government shutdown. Certainly Democrats will be working with our Republican colleagues in Congress to that end, I think our Republican colleagues agree. I hope they won’t succumb to President Trump’s whim based on a political decision and not on what is good for America. President Trump must change his tune—and soon—if he wants to be a constructive partner in those discussions rather than the focal point of blame.

Madam President, on taxes, my Republican friends have stretched into day 2 of their debate on the bill, which still lacks resolution on some critical issues.

After promising over the past few months that their tax bill would pay for itself through economic growth, the Joint Committee on Taxation came out with a report yesterday that showed that these promises were unfounded, way off the mark. Even considering economic growth, the Republican tax bill will add roughly $1 trillion to the deficit. And many economists have said...
that this dynamic scoring doesn’t work at all. Here, the JCT gave credence to the theory of dynamic scoring but then came out with a number that was not the kind of wild exaggerations we are hearing from the Secretary of the Treasury, from the President, and from some of our Republican colleagues, particularly those of the Club for Growth bent.

Earlier in this debate, Republicans claimed that this would be a tax cut for everyone and that nobody in the middle class is going to get a tax increase. Independent analyses show that these claims were not valid, and to their credit, some Republicans corrected the record.

Now Republicans have gotten the “dynamic scoring” they have demanded for years. They are in charge. They put dynamic scoring in place. It is still not good enough. As recently as this week, the Republican leader and others claimed that this bill would not add to the deficit. We know now that even under the dynamic scoring method the Republican Party asked for and received, this bill would add $1 trillion to the deficit. All of the claims that tax cuts for the wealthy and corporations will pay for themselves were not correct. It is time for my Republican friends to admit the error and come clean with the American people.

The fact that we received the dynamic score only a day before a final vote is just not good enough. It is even harder to rush a bill like this through.

From press reports, we know that the Republicans are making the pass-through provisions more generous, widening what was already a gargantuan tax loophole for wealthy business owners. Why should wealthy business owners pay a significantly lower rate on their personal income, because they are paying no corporate tax if they use the pass-through, than the average American? That is what this bill does. Hedge funds, big fancy law firms, and lobbyists firms would all get a lower rate than the average American because of the passthrough. The average American who makes $100,000, $200,000 is already paying in the 30-percent range.

From press reports—you would think that maybe Republicans would be concerned by the many reports that their bill increases taxes on 60 percent of middle-class families by the end of the day. No. Instead, the holdout Republicans are concerned that this bill isn’t generous enough to corporations and wealthy business owners. So now the Republican leadership is working to fix that. In the waning hours, this bill is tilting even further toward business, even further away from families. Every time the choice is between big corporations and families, the Republicans choose the big corporations.

And still no one knows what the final bill will look like. Why on Earth wouldn’t you want to spend more than a few hours looking at a bill of this magnitude? What might have been snuck in? What might have been changed by mistake—an innocent mistake? There are so many reasons to not rush this bill through, but we know why it is being done. We know why Republican Members will only have a few hours at most to read the draft legislation before voting on it.

Notching a political win, I would say to my colleagues, isn’t a good enough reason to throw common sense and legislative responsibility out the window. A political win isn’t a good enough reason to raise taxes and premiums on millions of middle-class families when there is a much better bill to be had by working in a bipartisan way, Democrats and Republicans, across the aisle, together. My Republican friends must know that “we needed to notch a political win” isn’t a good enough excuse for a constituent who asks why you voted to raise their taxes but slash them for big corporations.

Today may be the first day of the new Republican Party—one that raises taxes on the middle class. The one thing Republicans always promised the middle class is, we are not going to raise their taxes. That is why many of my colleagues from the other side of the aisle—the junior Senator from Texas—I heard him talk about it—said he doesn’t want to raise taxes on any middle-class person, but this bill does it. The Republican leadership is going to raise the taxes of millions of Americans, particularly those of the Club for Growth bent.

Today the hole it blows in the deficit will—make no mistake—endanger Social Security, Medicare, and Medicaid. Republicans, including President Trump, have openly admitted that they will seek changes in this program after the tax bill. Senator SANDERS has outlined how deeply damaging this is to the future of Social Security and Medicare. I know our Republican colleagues who came down to argue against him were all on the defensive.

All the things our President and Republicans say they wanted to do are not happening. And this bill moves in the opposite direction—not only on helping the wealthy and not helping the middle class in the way it needs to but also in endangering Social Security and Medicare. Most important of all, the bill hides a ticking time bomb of middle-class tax hikes at the center of our Tax Code. Who would want to vote for that?

Many of my Republican friends feel that the hard right—big, wealthy corporate interests—will put these ads on TV saying that this bill helps the middle class. It is not going to work. When the middle class gets a tax increase, they are going to know why, and they are going to blame my Republican colleagues, and these ads will have faded into the air.

Today, my Republican friends can choose to cement their party as the party that raises taxes on the middle class. It will be a dramatic turning point in a downward spiral for the Republicans and something they have never believed in before. But Republicans have an alternative. They can step back from the brink and work with Democrats on a bipartisan tax reform that is fair and deliver the best tax relief to the middle class, a bill that makes our businesses more competitive while closing egregious corporate loopholes and that grows our economy without adding a penny to the deficit.

Bipartisan tax reform—not this cynical bill, not this partisan exercise, not this bill that seems to please the 1 percent but not the rest of America—is possible but only if my friends and colleagues will abandon this bill and reach out for a better kind of politics.

Mr. President, I yield the floor.

Mr. President, I rise to offer a motion to do something that this tax plan fails to do: make good on President Trump’s promise to close the carried interest tax loophole. This motion has the support of Senators WHITTCHOUSE, DONELLY, and VAN HOOSEN.

I think we need to make our tax system simpler and fairer for hard-working families, businesses—particularly...
small businesses—and manufacturers, and that is what I have been working for. Unfortunately, this is not the plan being presented today by Senate Republicans.

Let’s be honest with the American people. This rate cut is largely a tax giveaway to the wealthiest few and big corporations, while millions of middle-class families will get a tax hike. With this partisan bill from across the aisle, big corporations get permanent tax breaks—permanent—while middle-class families get a permanent tax increase. In fact, most Americans earning less than $75,000 a year will see tax increases. That is simply not fair.

It is also not fair that the top 1 percent will end up with over 60 percent of the benefits, and in exchange, 13 million more will lose health insurance. Healthcare premiums will increase by 10 percent, and Medicare and Medicaid have been put on the chopping block to pay for it.

In addition, with the Senate Republican plan, powerful corporations can still deduct their State and local taxes, but they completely eliminate the State and local tax deduction for individual taxpayers. This deduction ensures aren’t taxed twice by the Federal Government on money they have already paid in State and local taxes, including property taxes. But with the current Senate plan, nearly one in three Wisconsinites will lose their personal income, sales, and property tax deductions. A recent study shows that it could decrease the value of home ownership. The average deduction in Wisconsin is $1,653, and nearly $10 billion of Wisconsinites’ paychecks would be subject to a double tax—all to pay for a plan that favors those at the top. What is more, by the latest estimation from our own congressional scorekeeper, this plan will add $1 trillion—$1 trillion—to our deficit, breaking our promise to the next generation and sticking them with the bill.

Our Tax Code ought to reward hard work more than it rewards wealth. It doesn’t do that today, and it will not do that tomorrow if this bill passes. In fact, this Republican plan’s primary purpose is to reward Fortune 500 corporations who will simply reward the wealth of shareholders, not the hard work that drives productivity and growth across our economy.

The purpose of this legislation makes the same promise that has not been kept to workers for decades. Trickle-down economics has not worked in the past, and it is not going to work now. American workers know that their personal income, spending, and savings are going to get plenty of attention from the Tax Code as workers, and not just for Wall Street investors, and for people like me, but unfair to American workers.”

Then this May, after being asked why his tax reform outline didn’t mention carried interest after campaigning on it, the President responded by saying: It’s out. Done . . . carried interest was great for me, but carried interest was unfair and it’s gone.

I agree that it is unfair and it should be eliminated. However, it is not gone with this legislation. This loophole for Wall Street is still in the bill. Why? Is it because my Republican colleagues on the other side of the aisle simply do not believe a word this President says? Is it because Wall Street lobbyists, big banks, and hedge funds have such a grip on Washington? Is it because these are the very donors that this legislation is meant to serve with a win?

Today I am offering a motion to close the carried interest tax loophole once and for all. It is simply unfair for Wisconsin workers to pay higher income tax rates than a billionaire hedge fund on Wall Street.

If you agree, you will support this motion. If you want to help President Trump keep his promises to the American people, you will support this motion. Let’s do right by the American people and close this tax loophole for the wealthy on Wall Street. Let’s make sure that our Tax Code rewards hard work as much as it currently rewards wealth. If that isn’t simple and fair, I don’t know what is.

I yield the floor.

RECESS SUBJECT TO THE CALL OF THE CHAIR

The PRESIDING OFFICER. The PRESIDING OFFICER. The Senator from Florida. The PRESIDING OFFICER. The Senator from Florida.

MOTION TO COMMIT

Mr. NELSON, Madam President, the matter that is before the Senate is the motion I have offered. It simply is, in the tax bill, the corporate rate is reduced from 35 percent down to 20 percent, and that is permanent, but the modest, middle-class tax breaks are not permanent, and in 7 or 8 years they cease to exist. They sunset. So, in this tax bill, you want to give permanent, huge corporate cuts, from 35 down to 20.

By the way, if the American corporation is doing business overseas, it is basically a zero tax rate, which is an incentive to go overseas, send jobs overseas. American jobs are lost while giving those huge tax breaks at the same time it is giving modest breaks to the very people who need the tax cuts; that is, hard-working American families, the middle class. Then, oh, by the way, in 7 or 8 years, vamoose, it is gone, no tax break. It goes back up. It is a tax increase. That is simply not fair.

So this little motion simply says go back to the Finance Committee and correct this inequity. Go back to the Finance Committee, make the middle-class tax cuts permanent, and then get the Finance Committee to offset those with revenue from somewhere. Do you know where that somewhere should be? It ought to be the huge corporate tax cuts. That is where the revenue ought to be taken back from to give that revenue or tax cuts to the middle class. It is a simple issue of fairness.

I am delighted to be joined by my colleague from Minnesota.

I yield the floor.

The PRESIDING OFFICER. The Senator from Minnesota.

Ms. KLOBUCHAR. Madam President, I thank Senator NELSON for his leadership on this motion. It is a very simple motion for a very simple proposition; that is, that the Tax Code should be simpler. That is true. We should make it more streamlined. That is true, but our focus should be helping the people of America.

Our problem with the bill that is on the floor right now is that it is weighted much too heavily in terms of helping the wealthiest among us and not the middle class. Senator NELSON’s amendment, which I am a proud co-sponsor of, gets right to the meat of this, to the bread and butter, to helping the middle class with their groceries—since I used meat and bread and butter—but also with their mortgages, with paying for college, with everything they need to do. Our problem is the bill right now is that too much of it goes to the top.

In fact, when you look at the numbers, it is quite startling. The first
thing you notice for the middle class is that $1.4 trillion in additional debt comes out of this bill. Now, our colleagues were claiming until yesterday, well, that is going to be offset with all these economic growth we are going to see. What did we find out? Even when you put that at 4 percent growth, by the nonpartisan Joint Committee on Taxation that looked at this, they are like the umpire. They do the scorecard. They looked at this, and they said: Yes, it is about 1.4, $1.5 trillion in debt. It does produce some economic growth, but guess what? The net is over a trillion dollars in debt.

Now, whose shoulder is that going to be on? That debt is going to be on the middle class and their kids and their grandkids, and that is the No. 1 reason why I am so concerned about this bill and why I stood with 17 other Democrats, including Senator NELSON, just this last week and said: Come to the table. This is your moment for our colleagues on the Republican side of the aisle. While the White House is busy sending out tweets and going after this rail we have now, but that isn't in this bill.

So we tell our colleagues this is a moment in time where you could actually work with us on something that makes sense for America. Don't squander it. I appreciate the time from Senator NELSON and his leadership. I yield the floor.

The PRESIDING OFFICER. The Senator from Florida.

Mr. NELSON. Madam President, we yield back all time.

The PRESIDING OFFICER. All time is yielded back.

The question is on agreeing to the Nelson motion to commit. Mr. WICKER. Madam President, I ask for the yeas and nays. The PRESIDING OFFICER. Is there a sufficient second? There appears to be a sufficient second.

The clerk will call the roll.

The bill voted on was yeas 48, nays 52, as follows:

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The motion was rejected.
The Senator from Maryland (Mr. CARDIN) moves to commit the bill H.R. 1 to the Committee on Finance of the Senate with instructions to report the same back to the Senate, not counting any day on which the Senate is not in session, with changes that—

(1) are within the jurisdiction of such committee; and

(2) in order to fix and enhance our country’s infrastructure, help create jobs, and responsibly use one-time revenue for one-time spending in a manner that revenue raised by the deemed repatriation provisions of the bill for infrastructure improvements.

The PRESIDING OFFICER. The Senator from Maryland.

Mr. CARDIN. Mr. President, I urge my colleagues to support this motion.

This motion will send H.R. 1 back to the Committee on Finance with instructions to return it within 3 days to deal with one of the principal purposes of this act, and that is to create jobs. I am pleased that I am joined in this effort by Senators FEINSTEIN, BLUMENTHAL, UDALL, CASEY, STABENOW, KLOBUCHAR, and HARRIS.

As I explained yesterday—but I want to just go over this, if I could—this particular motion is based upon a bipartisan provision in the last Congress that came out of the Senate Finance Committee. We had working groups that took a look at the different aspects of our Tax Code in areas that we need to reform, and there was a general agreement that we need to deal with the fact that American companies have earned earnings overseas, and they have parked those funds overseas and have not brought them back to the United States because of the differential tax rates between our corporate taxes and the tax rates overseas. The American companies were not willing to pay the taxes. So, therefore, they leave the money overseas. To bring that money back is called repatriation. So it comes back to the United States. We have done this before, and we imposed a lower tax rate in order to get the money back here in the United States.

The challenge with that proposal is a couple things. But, first, it is not a permanent revenue flow. It is a one-time-only revenue flow. We had the numbers on the House-passed bill, which would bring in somewhere around $300 billion of one-time-only revenue.

The problem is that H.R. 1 includes provisions that use those revenues that bring that in as repatriation but uses the money on a permanent basis to give permanent tax relief to businesses and that puts us deeper in a hole as it relates to the deficit of this country.

This bill also is too expensive. We know that. I think my Republican colleagues know that. The American public knows that—that it will add to the deficit. We now have not only the scores that we traditionally use from the Joint Committee on Taxation as to how expensive it is to cost, and we know it is somewhere in excess of $1.5 trillion—closer to $2 trillion if you extend all the sunsets that are in the bill—but, even now, we have the so-called dynamic score that takes into consideration predicted economic changes that try to make it more favorable, and that is in excess of $3 trillion. That is unacceptable. It should be unacceptable to every Member of this body.

This amendment will help us in doing that, in that it will take at least the $300 billion, which is one-time-only revenue, and not allow it to be used in the budget itself. Instead, we wall that off and use it for infrastructure.

I serve on the Environment and Public Works Committee, in addition to the Senate Finance Committee. I can tell you that the unmet transportation needs, water infrastructure needs, and energy infrastructure needs in this country are well documented. We know we need to modernize our transit systems, our roads, our bridges, our water infrastructure, and our energy infrastructure. We need to modernize them, particularly if we are going to be competitive. That is the reason we will set the right priority for modernizing America’s infrastructure.

What does that mean with regard to jobs? Speaker RYAN used the number of a little less than 1 million jobs that are in manufacturing. Teated.com, for example, is about $1.5 million per job. That is not very good by anyone’s standards. We have projections that $300 billion—far less than $1.5 trillion—will create 4 million great jobs here in America.

Here is an opportunity for us to really create jobs but at the same time produce a much more up-to-date, modern transportation system for this country. I have the honor of representing Maryland in the Senate. I can tell you that we need significant resources to update our transit system. The WMATA system is old and needs improvements, and needs further investments. We are in the second worst congested area here in Washington. We need investments in roads. Our bridges are in serious trouble. We have a major bridge break every day in this country—every day. We need billions of dollars to fix our water infrastructure.

Here is an opportunity for us to speak to two major priorities. One is fiscal responsibility. Let’s do this in the right way, not spend one-time-only money. Two, we can take care of the international tax problems of American companies that have money overseas. Third, we can repair our infrastructure without raising the debt.

I urge my colleagues to support this motion so that we can really create jobs and not add to the deficit and to help the people of this country.

I yield the floor.

The PRESIDING OFFICER. The Senator from Washington.

Mrs. MURRAY. Mr. President, I come to the floor this afternoon to speak on behalf of myself, along with Senator WYDEN, about the incredible healthcare impacts that this tax bill will have on families.

It is astonishing just how far my Republican colleagues are willing to run from the truth in order to jam this terrible tax bill through Congress.

They said it was going to lower taxes for the middle class. Well, it will not.

They claim it is going to create jobs.

Experts tell us the exact opposite.

The Senate Republican tax bill includes a truly devastating healthcare change that is going to raise families’ premiums, cause millions of people to lose their coverage, and create even more chaos and instability in our healthcare markets. People have rejected every single Republican attempt this year to undermine America’s healthcare, so it is worth asking, why are they doing it again? Why are Republicans doing it in this bill? The answer is simple. Republicans wanted to spend the savings from taking away millions of people’s healthcare on tax cuts for those at the top.

Taking healthcare away from families to pay for big corporations’ tax breaks is bad enough; what makes it worse is how they are trying to deny what they are doing.

Senate Republicans are claiming that if they pass the bipartisan bill that Chairman ALEXANDER and I agreed on, all the damage from the healthcare sabotage in their tax bill will somehow go away. They couldn’t be more wrong.

Our bill, the Alexander-Murray bill, was designed to shore up the existing healthcare system and deal with the problems that President Trump and Republicans already created, not to solve the new problems Republicans have made with their new, awful Republican tax bill. And just yesterday, the bipartisan Congressional Budget Office confirmed that. Here is what they said will happen regardless of whether Alexander-Murray becomes law as well: Premiums will go up 10 percent each year, 13 million people will lose coverage, and markets will be even more unstable, which experts have said will cause some of our communities to lose their coverage options.

There has been some discussion on whether passing something called reconciliation, which is a program designed to help with the cost of enrolling the sickest patients, might mitigate the worse effects of this Republican tax bill would do. This answer is no there as well. This policy is good policy on its own, but it will not stop the premium increases, and it will not stop the coverage losses and the chaos this Republican tax bill will cause.

The Republicans are doing everything they can to avoid the facts, but that doesn’t make them go away. While hiding behind these bipartisan
bills might seem like a good talking point in Washington, DC, political cover doesn’t pay families’ medical bills or give them their coverage back. It does not help people with preexisting conditions who may get priced out of the market. It doesn’t help people in communities where the markets already unstable thanks to President Trump’s year of sabotage, meaning insurers are ready to exit if things get worse.

One more note. Over the last year of roller coasters on healthcare, there is one thing we could count on; that is, President Trump and the Republican leaders making empty promises. Republicans who are comfortable voting for this awful tax bill because of promises they got from President Trump— who called his own TrumpCare bill “mean” when it suited him—and Republican leaders who have written check after check they couldn’t cash on healthcare are placing a bet that is more from self-interest. In fact, this bet is very risky. It requires House Republicans voting in favor of supporting ObamaCare changes they have already said they oppose. If you have spent 5 minutes in this Congress, you should now know that getting House Republicans to support TrumpCare is as tough as a sell as it gets.

The truth is, if Republicans are serious about not undermining families’ healthcare, there is a very easy way for them to actually do that. They can step back from the brink right now and work with Democrats on healthcare and taxes in ways that actually help, not hurt, the people we are supposed to be here to serve. They are far down the road, I understand, but it is not too late. They can turn around. It is not too late to do the right thing. That is what we are asking.

Mr. President, I yield the floor.

The PRESIDING OFFICER. The Senator from Vermont.

Mr. WYDEN. Mr. President, I want to pick up where Senator MURRAY left off and emphasize to colleagues that not only would this bill raise taxes on millions of middle-class families, but it would also be a dagger in the heart of the Affordable Care Act, causing millions to lose their coverage and raise costs for millions more. By gutting the personal responsibility portion of the Affordable Care Act, this legislation is going to actually do that. They can now step back from the brink and work with Democrats on healthcare and taxes in ways that actually help, not hurt, the people we are supposed to be here to serve. They are far down the road, I understand, but it is not too late. They can turn around. It is not too late to do the right thing. That is what we are asking.

Mr. President, I yield the floor.

The PRESIDING OFFICER. The Senator from Vermont.

Mr. SANDERS. Mr. President, it is no secret that I am strongly opposed to this disastrous, unfair, and destructive piece of legislation that we are debating today that will give massive tax cuts to the wealthiest people in our country, to the most profitable corporations, and to billionaire campaign contributors.

What really concerns me is that we are debating, as everybody acknowledges, a very complicated and confusing piece of legislation that is over 500 pages long. Here we are a few hours before we are going to be voting on this legislation, and nobody has seen it. Nobody even knows what is in this legislation. It is probably being written as we speak right now. That is not a very effective or intelligent way to deal with legislation that impacts every American and trillions of dollars.

One of the concerns I have as we look at this bill is that there are provisions in it that nobody really understands in terms of whom it impacts and whom it benefits. As one example, buried in this legislation, on page 503, section 14504, is a paragraph entitled “Modification to the Rules Involving Possessions.” That is the title of that section. What does that mean? As best we can understand, it means that if you are a hedge fund manager who is a resident...
of the Virgin Islands, you will be able to get a major tax break on capital gains and a 90-percent reduction in tax liability on your income.

It has been estimated that corporations and the wealthy are avoiding over $1 trillion each and every year by stashing their cash in the Caribbean and other offshore tax havens. It appears that this provision will make a bad situation even worse. In adding insult to injury, it appears that this provision will help only a handful of wealthy hedge fund managers who have claimed residency in the Virgin Islands. It has been estimated that this provision alone—one provision in a 500-plus page bill—will cost over $600 million in lost revenue in the next decade—$600 million in lost revenue when we have a $20 trillion debt and 40 million people who are living in poverty.

Now, I see no Republican Senators on the floor, but I am sure that staff is watching. I have an assumption that I would like to discuss with Senator WYDEN but, more importantly, with some of our Republican colleagues.

What I would like to ask my Republican colleagues is whether there has been a hearing on the need to provide tax breaks to wealthy hedge fund managers who have established residency in the Caribbean. I would say to my friend from Oregon that there are a lot of problems facing our country—a declining middle class, 40 million people living in poverty, 28 million people having no health insurance, and I am not aware that one of the great crises facing this country is the need to provide tax breaks to wealthy hedge fund managers who have established residency in the Caribbean. It may be one of those great national crises that I have missed, but I don’t quite perceive it as being an issue that the American people seem to be deeply concerned about.

I hope that my Republican colleagues—maybe Senator HATCH or others—on the floor and those who this provision benefits. Are we talking about one hedge fund manager? Are we talking about two? Are we talking about three hedge fund managers who are going to divvy up some $600 million in tax breaks over the next decade?

I ask my colleague from Oregon, who is the ranking member of the Senate Finance Committee, his thoughts on the issue.

Mr. WYDEN. I am very pleased that my colleague from Vermont is discussing this issue on the floor. The Finance Democratic staff has been looking into this and has been working also with the staff, and I am not aware that it would be fair to say that every few hours, this bill just seems to get worse. I mean, we don’t know if, in the middle of the night, someone will add another round of favors for the powerful interests, the politically well connected. What I can tell the Senator is what we have been able to put together as of now.

In 2004, legislation was written that we were very much involved in that helped eliminate the loophole by requiring U.S. citizens to be bona fide residents of the Virgin Islands and imposing U.S. tax on income effectively connected with the United States. Now, in the dark of night, as I have indicated, it appears that we have a provision that is relaxing this rule.

From our conversations, I know the Senator understands that we all want to help the people of the Virgin Islands after a devastating hurricane. Are we helping people by creating a huge, new loophole, possibly for a handful of those people who are especially well connected and can get to the Finance Committee? I am convinced that if one looks at the Paradise Papers and the Panama Papers, what they were warning about in those papers was of all of these efforts to stash money and create new options for people to wheel and deal in offshore accounts.

So my colleagues are right. I continue to wonder why, when we want to ask these really important questions about special interest favors and when we look to the other side, we have this barrier between both sides of the aisle. We need somebody here to explain to us and explain to the American people how this has seemed to just fly out of the sky.

I am very appreciative of the Senator’s raising a question about what looks like a provision that has come into a process that has been one big sham from the beginning. I appreciate my colleague’s question.

Mr. SANDERS. I thank the Senator very much.

I would just say, according to a number of independent studies, despite what President Trump and the Republican leadership are saying, the overwhelming bulk of the tax benefits in this legislation goes to the top 1 percent. I believe the number is 62 percent that goes to the top 1 percent.

Mr. WYDEN. If my colleague will yield, there is no question he is correct that in terms of stacking the deck, this is not just stacked to the top but to the top 1 percent or a fraction of the 1 percent.

Mr. SANDERS. You have 62 percent of the benefits going to the top 1 percent. Meanwhile, by the end of the decade, my good friend, Senator WYDEN and the former Senator John McCain's Committee and I have heard it several times on this legislation—that there were 70 hearings on this bill. There was not one on this piece of legislation. It certainly didn’t examine this issue. It didn’t examine the question, for example, of what is going to happen to people with this daggery to the Affordable Care Act.

I can tell this to my colleague because he is right to talk about how one brings parties together. I know my colleague did that as part of a major bill out of the Budget Committee with Senator McCAIN. Our former colleague Bill Bradley mentioned that when he wrote a tax bill, he flew all over the country to work with Republicans. In this case, apropos of my colleague’s question, not only did none of them do that, but they wouldn’t even walk the corridor to talk about working with the other side.

Mr. SANDERS. Let me make two points as I wind down here.

One, yesterday, I challenged my Republican colleagues, after this bill is passed, to tell us and tell the American people that when they rack up a deficit of $1.4 trillion, they are not going to
come back and cut Social Security, Medicaid, Medicare, education, nutrition.

Tell the American people that you are not going to balance the budget and compensate for your huge tax breaks by going after the middle class and working class of this country. I challenged my Republican colleagues yesterday to come to the floor and talk to people that they would not do that. They have not responded to that challenge.

The second challenge today is to tell us what is in section 14504, page 563. This is a provision that would provide $600 million in tax breaks to my Republican colleagues. Who is going to get those tax breaks? We believe—and tell us if we are wrong; maybe we are—that we are talking about a handful of hedge fund managers. Who are they? How many of them are there?

I would ask, respectfully, that Senator HATCH or any other Republican colleague come down to the floor and tell us who benefits from section 14504.

Mr. WYDEN. Will my colleague yield for a moment?

Mr. SANDERS. I will.

Mr. WYDEN. I want to ask the Senator a question because I am not sure that we have really laid out the timetable of what is ahead. My colleague, of course, who is our ranking Democrat on the Budget Committee, is very up on this.

We have all been concerned because we have seen it before. You pass these big tax cuts. You get on a sugar high for a relatively short period of time. Then the deficits start rolling in. What we see next are the cuts in the programs that are a lifeline for millions of people—the anti-hunger programs, Medicaid, Medicare, Social Security. I saw comments in the paper that what my colleague is concerned about has already been announced by the Speaker of the House. I understand that down the line the speaker of the House has said is that his next plan is to take up the issues of what he calls entitlement reform. They are not talking about the things that the American people care about and that I am going to hear about at townhall meetings at home this weekend—holding down the costs of prescription drugs. They are talking about rolling back the safety net—Medicaid and the anti-hunger programs and Social Security.

What is my colleague’s understanding?

Mr. SANDERS. Absolutely. That is absolutely what they will do. They will talk about saving Social Security; they will talk about entitlement reform. What is not being cut is Social Security, cutting Medicare, and cutting Medicaid.

As the Senator has indicated, it is not some kind of an abstract, theoretical plan. What Speaker RYAN is talking about, and he is talking about Social Security, cutting Social Security, cutting Medicare, and cutting Medicaid.

As the Senator has indicated, it is not some kind of an abstract, theoretical plan. Speaker RYAN is talking about Social Security, and that is exactly what was in the budget that was passed here several months ago.

Mr. INHOFE. Will the Senator yield for a unanimous consent request?

Mr. SANDERS. I will.

Mr. INHOFE. Mr. President, I ask unanimous consent that the Chairman from Vermont, be recognized for up to 10 minutes.

The PRESIDING OFFICER. Is there objection?

Without objection. Mr. WYDEN. Reserving the right to object, if I could, I don’t think the UC was granted.

Mr. INHOFE. I have a point of inquiry. Was the UC already granted—the unanimous consent request?

The PRESIDING OFFICER. The Chair said “without objection” because the Chair did not hear objection.

Mr. WYDEN. Well, I would like to reserve my right to object at this time.

The PRESIDING OFFICER. Is there objection?

Mr. WYDEN. Reserving my right to object, and I will not object. I would just like to make sure that our colleague from Oklahoma and our colleague from Washington are both accommodated in this matter.

Senator SANDERS and I have finished. I believe Senator CANTWELL said that Senator INHOFE will go ahead. We thank Senator CANTWELL for her usual collegiality.

Senator INHOFE will go first and I ask unanimous consent that Senator CANTWELL follow Senator INHOFE, and I will withdraw my reservation. I withdraw my reservation and ask unanimous consent that Senator CANTWELL follow Senator INHOFE.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

Mr. SANDERS. Mr. President, let me conclude my remarks.

I would urge my Republican colleagues to come down to the floor of the Senate and explain to the American people what section 14504 is about and who benefits from some $600 million in tax breaks over a 10-year period. Is it two hedge fund managers? Is it five hedge fund managers? Is it what it means?

Is it five hedge fund managers? Is it the immediate revenue of 10 percent of all savings that are withdrawn, and this would actually amount to billions of dollars. We are talking about immediate dollars, not dollars that may be there in the future. Now, you could argue that this might reduce some revenue at some future date because the individuals will have already pulled this out for a fee of 10 percent. So, perhaps, it would have some negative effects in the distant future. But when you stop to think about the benefits—I know a lot of people on the other side of the aisle don’t realize this—we are going to have huge benefits.

If you just look at what has happened in this administration in the second and third quarter of this year, we have gone through years in the Obama administration with maybe a 1.5-percent
increase in GDP, and we have enjoyed 3 percent in the second quarter and 3.3 percent in the third quarter. That is a huge increase. For each 1 percent increase over a period of 10 years, we are talking about $3 trillion. So we are all conscious of that.

This amendment that we are talking about that merely allows people to take money out that is already their money is something that would have a great stimulation in the economy. I am one of the few ones who was around here—yes, but in the other body—and I was aware of this back during the Reagan years of 1981 and 1986. In 1981, the amount of revenue that we had coming into the Federal coffers was $569 billion. Ten years later that was $750 billion. That was after the first great reduction. Let's remember that reduction took the top rates down from 70 percent to 50 percent. Again, in 1986, when the total revenue was $569 billion, there was a further reduction and we went down from 50 percent to, I believe, 29 percent.

Now, with all of those reductions, that increased 10 years later from $569 billion to $1 trillion. Consequently, we know that if we can stimulate the economy by going to have more revenue coming in. That is a fact. I think this will be something that I think a lot of people can look at. I talk about when you get into the conference. I will not be one of the conference. I will not be going to have more revenue coming in. That is a fact. I think this will be something that I think a lot of people can look at.

By the way, I will say that in the conference, I will not be one of the conference. I will not be going to have more revenue coming in. That is a fact. I think this will be something that I think a lot of people can look at.

Additionally, tax reform will ensure that American families and businesses see a meaningful reduction in their tax burden. The Senate bill provides a substantial tax deduction to small and family businesses that are structured as pass-through entities. These small and family businesses are household names such as Love's Travel Stop, the Country Stores, Hobby Lobby. We are all very familiar with Hobby Lobby.

The question is, Do we need to reduce their corporate rate so significantly, and to do so, take money out of the pockets of middle-class families across the United States of America?

The reason I mention Senator Wyden and the State of Oregon and Washington, is that, even though we have a unique tax code, our State's economy has grown faster than the national average every year since World War II. That is to say, the uniqueness of our tax code has not hurt us, and yet in the State of Washington we have had the highest minimum wage for a long time in the United States. Now we are raising it in various parts of our State. We have had a unique view of where our revenue should be. Why now? Why now? After 100 years of tax deductibility by taxpayers in this country, why are you taking away their ability to deduct only to give a tax break to corporations that are making record profits? After 100 years, why are you doing this? Well, I think some of my colleagues have said it best. They have called it double-taxation. You are going ahead after 100 years and saying it is OK to tax the same amount that we pay to the State that you also are going to tax at the Federal level. As one article mentioned, "Alexander Hamilton in the Federalist Papers said the Federal Government might try to monopolize taxation to the entire exclusion and destruction of State governments."

That is right. Our Founding Fathers said: Do not have double taxation. So for 100 years—100 years—we protected the citizens of this country. Yet someone over there is thinking: Do you know what? I need $1.4 trillion. Where can I get it? Let's do it on the backs of middle-class families, because they might not notice until 2019 when their tax bill comes and they have a different equation.

I get that my colleagues think they have solved this problem by getting rid of the deductions and now all of a sudden giving you a new tax standard deduction. I have done the math. I have done the math for us in Washington State, and over 300,000 people in Washington State will see their taxes go up immediately, probably paying anywhere from $750 to $1,000 more in taxes. Is that fair? They are sitting in the shadows of these large companies who are making record profits and doing quite well, asking why are they the funders of this tax break. Why are they getting a rid of a policy that has existed in our country for over 100 years and penalizing them just to give this corporate break?

I can tell you I don't buy the notion that this is going to trickle down to productivity and wage growth. I know what is driving productivity and wage growth in my State. It is a great, educated, skilled workforce. It is staying ahead of innovation whether it is making software or making business, and, yes, it is a constant challenge. Those businesses tell me all the time we need more infrastructure, we need more affordable housing, we need a better transportation system, we need better education. So they are very concerned about the ideas in this legislation.

So you are going to tax immediately about 300,000 Washingtonians with a tax bill. That is why this is a big concern. This is a big concern. The Joint Committee on Taxation and other entities, probably by the time this is done, at the end of this bill, over a million Washingtonians are going to pay more money. That is why I am so concerned, along with other States that have been fighting this battle for so long. Why now? Why now? What is the urgency that you are taking away the ability of my citizens to deduct their local sales tax, their property tax, or other expenses, whether they are medical or education or their mortgage? It is just beyond me, when the middle class has suffered so much and has not recovered from the downturn in the economy, why do you think the best economic strategy is to take money out of the middle-class taxpayer?

I ask unanimous consent to have printed in the RECORD a letter from the National Governors Association from Governor Sandoval from Nevada. I mentioned they don't have an income tax. They are highly sensitive to this issue.
It will change your tax bracket, and you will be in a higher tax bracket. So besides giving you less deductibility, they are changing a formula and making you pay more taxes.

This bill needs to slow down. It needs to focus on why the economy is growing, and economists don’t believe this bill is going to do much to help the economy grow. It is going to give those corporations money to pay for dividends. Seventy-five to eighty percent will go to their shareholders, and those shareholders and the stock market will do well.

What we also need to focus on is the investment that middle-class families need to stay in their home, to make education affordable, to pay for healthcare, and to have communities work. The fact is, the Fraternal Order of Police is also against this legislation because of taking away of this local deductibility. It is like Hamilton said: Why are you doing this at a Federal level? When the oil spill of the 20th century was the States’ rights people? I thought they were there to protect the uniqueness of the Tax Code to say that States have rights, to say that States ought to be able to decide their own future. Now you are taking that away today, and you are going to hear from the citizens of this country who are upset that they have to pay higher taxes just to give these very successful companies a corporate tax break.

I yield to my colleague from Maryland.

The PRESIDING OFFICER. The Senator from Maryland.

Mr. VAN HOLLEN. Mr. President, may I inquire how much time remains on the unanimous consent agreement for this amendment?

The PRESIDING OFFICER. The Senator from New Jersey.

Mr. VAN HOLLEN. Thank you, Mr. President.

I see Senator MENENDEZ from New Jersey has arrived. He is a cosponsor, together with Senator CANTWELL and myself, on this amendment, and I want to thank Senator CANTWELL for her leadership. She has covered a lot of important points.

The main one is, from the beginning of our Federal Tax Code in 1913, we have established a principle in the United States to avoid double taxation. It makes no sense that any citizens of this country send a dollar of tax to their State governments to help schools or roads in their State, and then they are turned around and taxed on that same dollar by the Federal Government, but that is exactly what this Republican tax plan is doing.

Now, weeks and weeks ago, the Republican leader, Senator MCCONNELL, and the Speaker of the House, PAUL RYAN, made these public statements that the Republican tax bills weren’t going to raise taxes on anybody. They both had to publicly reverse those statements because, in order to provide huge tax breaks to the biggest corporations of this country, this bill will require millions and millions of middle-class families to increase their taxes, and a main vehicle for doing that is by removing the deductions that those families claim the State and local deduction. That is 7.6 million households. Fifty-six percent of taxpayers who make under $100,000 claim the State and local deduction, and 86 percent of taxpayers making under $200,000 claim the State and local deduction.

It is wrong to double tax those families in order to provide a huge tax break for big corporations. Just to add insult to injury, the corporations in this legislation still got to deduct their State and local taxes. We just don’t let the people in our State do the same thing.

Let’s adopt this amendment.

The PRESIDING OFFICER. The Senator from New Jersey.

Mr. MENENDEZ. Mr. President, I am here to support the motion offered by Senator CANTWELL, to speak out against a tax bill that is nothing short of highway robbery on New Jerseyans. This tax plan is about one thing: It is about cutting taxes for wealthy corporations and asking working families to pay for it. It is especially bad for middle-class families in New Jersey, New York, Washington, Maryland, and other high-earning States that make bold investments in education, that drive the most innovation, that generate the most Federal revenue.

Don’t let the Republicans fool you if they airdrop an amendment at the last minute that throws a few crumbs at New Jersey families and call it a victory. Carve-outs, caps, and exceptions are nothing but gimmicks meant to distract the public from what is really going on. No matter how you slice it, gutting or even limiting the State and local tax deduction is a direct assault on middle-class families in America’s highest earning, most economically productive States. By gutting the SALT deduction, Republicans will literally force millions of middle-class families across America to pay taxes on their taxes.

In 2015 alone, nearly 1.8 million New Jersey households deducted a combined $32 billion in State, local, and property taxes from their Federal tax bill. These families aren’t living large. They are middle-class folks who had to work hard for every dollar they have. In fact, IRS data shows that more than 85 percent of taxpayers who claim the SALT deduction make under $200,000 a year and pay $100,000 a year. So it is wrong to ask millions of Americans who had to fight their way into the middle class to pay more just

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

NATIONAL GOVERNORS ASSOCIATION, September 22, 2017.

Mr. RYAN. Madam Speaker, I rise to commend our distinguished Chair, Governor SCOTT, for his leadership and his work on behalf of our Nation’s States and local governments. As we know, the potential tax reform legislation provides a unique opportunity for States and local governments to work together.

The unprecedented challenge of passing our first comprehensive tax reform in more than 3 decades serves as an opportunity to shape the legislative landscape for the next generation. In partnership with the administration, the National Governors Association has continued to engage with Congress to address the significant impact on States and local governments.

This year marks the 225th anniversary of the United States Constitution. Our members have a responsibility to work together to ensure that our States and local governments are the foundation of a strong and vibrant America.

On the remaining points, I see Senator MENENDEZ from New Jersey has arrived. He is a cosponsor, together with Senator CANTWELL and myself, on this amendment, and I want to thank Senator CANTWELL for her leadership. She has covered a lot of important points.

The main one is, from the beginning of our Federal Tax Code in 1913, we have established a principle in the United States to avoid double taxation. It makes no sense that any citizens of this country send a dollar of tax to their State governments to help schools or roads in their State, and then they are turned around and taxed on that same dollar by the Federal Government, but that is exactly what this Republican tax plan is doing.

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so big corporations can pay less, and rubbing salt in their wounds is the fact that Republicans let corporations keep on deducting their State and local taxes on top of the huge tax cuts lavished on them by this tax plan.

If corporations and local taxes is so important for big corporations that make billions of dollars each year, Republicans should understand why it is so important for middle-class families in cities and suburbs across America. That is why I am offering this motion with Senator CANTWELL to send the bill back to committee to fix this fatal flaw and restore the SALT deduction. If it is good enough for huge corporations, it should be good enough for middle-class families.

I have heard many of my Republican colleagues complain about the SALT deduction as if it is some subsidy for States like New Jersey, and that hypocrisy is just amazing to me. Far from subsidizing successful States like New Jersey, the SALT deduction actually benefits the entire Nation, which is able to share in the economic rewards created by the high-powered economies of States like New Jersey, and now Republicans want to take even more. Well, we are sick and tired of it, and we want our money back.

I will make a deal with any Republican from a taker State. Since you are so opposed to subsidizing other States, how about you take all of the extra Federal dollars you receive beyond what you pay and transfer it back to donating States like New Jersey? Sound like a deal? I don’t think so.

Each and every year, States like New Jersey, New York, and Virginia generate billions of dollars in Federal revenue that go to Americans in less productive, lower income States that are more reliant, more dependent on Federal spending. They are America’s economy. America’s donor States, precisely because they invest in public education, law enforcement, mass transit, infrastructure, and economic opportunity for all.

It is no surprise that everyone from the Fraternal Order of Police to the American Hospital Association, to AARP support keeping the State and local tax deduction. Taking it away is a direct threat to the funding States need to educate our kids, keep cops on the beat, respond to emergencies, and provide healthcare to the most vulnerable—all this just to give big corporations big tax cuts.

If multinational corporations get to keep deducting their State and local taxes, there is no reason to stop millions of middle-class Americans from doing the same. Make no mistake, any reduction in the State and local tax deduction is a direct assault on America’s highest earning, most innovative, most economically productive States. Guess what. All Americans will lose when America’s economic powerhouse States aren’t so powerful any more.

I urge my colleagues to stop punishing success, stop interfering in State government decisions, and join me in protecting the SALT deduction. Vote for the motion to recommit.

I yield the floor.

Mr. THUNE, Mr. President, we are about to embark upon a vote that I think will be historic, a once-in-a-generation that I hope we all join.

The last time we did major tax reform in this country was 1986, 31 years ago. Believe it or not, I happened to be a staffer here back then. Although my boss was not on the Senate Finance Committee, I was the tax LA in the office, and so I had the opportunity, in a very small way, to be a part of the 1986 Tax Reform Act, which at that point was landmark legislation, very historic, very far-reaching, and had a profound impact in a positive way on the economy.

Well, here we are 31 years later—long overdue, I might add, to get to the point where we once again can do something about a tax code that is completely outdated, completely antiquated, and puts us at a competitive disadvantage with countries around the world with whom we have to compete. So we have an opportunity today—and I believe we will have an amendment process here that will get started very soon in which Members will have an opportunity to lay down their amendments, to debate them, and to get them ultimately voted on, but later I believe we will have a final product that moves us fundamentally in a different direction when it comes to our tax policy, in a direction that is good for jobs, that is good for growth—economic growth—and that is good for wages in this country for hard-working families and people who have been living paycheck to paycheck for a really long time.

We didn’t get here overnight. There have been efforts sporadically over the years to do something about our tax code, something about how it might be improved. It has been an ongoing process among some of my colleagues to send the bill back to committee to fix this fatal flaw and to restore the SALT deduction. I urge my colleagues to stop punning success, stop interfering in State government decisions, and join me in protecting the SALT deduction. Vote for the motion to recommit.

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If multinational corporations get to keep deducting their State and local taxes, there is no reason to stop millions of middle-class Americans from doing the same. Make no mistake, any reduction in the State and local tax deduction is a direct assault on America’s highest earning, most innovative, most economically productive States. Guess what. All Americans will lose when America’s economic powerhouse States aren’t so powerful any more.
We get the corporate rate, the business rate, down to 20 percent. And when I say businesses, that is what we call C corporations. There is a slightly different treatment for pass-through businesses. Those are your partnerships, LLCs, and sole proprietorships, things like that. But we also significantly reduce rates on small businesses. We believe that is important to growth. This needs to be a pro-growth bill. We want to grow our economy at a faster rate because a faster growing economy, an economy growing at rates that are more normal to historic averages, means that we are creating better paying jobs. That means we are lifting wages in this economy.

Wages have been flat for so long. For the last decade or so, the American people have rarely had anything that could be characterized as a pay raise. That is why we needed to update our business tax code, so that we can get the economy producing and growing at a faster rate to generate those good-paying jobs and provide higher wages to American families and American workers. We believe this bill does that.

I think the changes that have been made in addition to lowering the rate—allowing for expensing of capital investments allows businesses to recover their cost of investment faster, accelerate that cost recovery, which enables them to get that capital they can use to expand and grow their operations and thereby, again, create those better-paying jobs. Those are key changes that in this context, to greater economic growth, better jobs, and higher wages in our economy.

There have been a lot of analyses and studies that have been done that demonstrate how, in fact, that might work. If you look at what the President’s Council of Economic Advisers says, they suggest that lowering the rate on businesses will generate $4,000 in additional average household income on an annual basis. That is an additional $4,000 in households in this country as a result not just of the tax reductions, which I will get to in just a moment, but the changes we made on the business side of the code generate an additional $4,000 annually per household. There is another study out there by Boston University. They conclude that it would increase the average household income by $3,500, which is slightly less than $4,000.

It is true that what families in this country, households in this country, and people in this country are going to benefit, because when you create a more favorable environment, favorable conditions for investment and creating jobs, that is competition for labor. Competition for labor raises the price of labor. When the price of labor goes up, companies have to pay higher wages. That means bigger paychecks for American workers. That is precisely what these particular studies have shown.

Let me say, too, because I think that as I have listened to our colleagues on the other side—they consistently make the argument that somehow these are tax cuts for the rich, which I don’t think is any surprise. That is normally what they say anytime we have a debate about reducing taxes. What this shows is that those in the $20,000 to $50,000 category today pay about 4.3 percent of the entire tax burden, the taxes collected in this country. People who earn between $20,000 and $50,000 pay about 4.3 percent. Under our legislation, that will go down to 4.1 percent. Those in the $50,000 to $100,000 category—earners in that group today pay about 16.7 percent. That is a significant benefit to those earning $50,000 to $100,000.

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actually will see their taxes tick up a little bit—not a lot but a little bit. They are currently paying 78.7 percent of the tax burden in this country, and that will go up to 78.9 percent. So those at $100,000 or more are paying almost 80 percent. If we maintain those taxes that we have collected in this country today, and that number is very similar to what it would be—if a little bit. But that is really the only category that is going to pay more relative to what they are paying today.

To me, that is a demonstration, clearly, of how—when we went through this process, we committed to ensuring that there was fairness in the code, and we paid attention to the tax burden to ensure that people continue to pay their fair share and that particularly those in the upper income categories pay their fair share.

Another argument that has been made by our colleagues on the other side—which is interesting to me because it is a revelation to many of us that all of a sudden they are concerned about deficits—is that somehow this is going to blow up the deficit. Well, we did allow for a net tax cut in this. There is about $5 trillion of tax cuts over a 10-year period, of which $3 trillion is offset by what we call base broadeners, or killing and getting rid of preferences and loopholes and deductions in the code, and the balance of which will be made up through economic growth. Therefore, about how much growth will occur in the economy, but I think it is fair to say that this is going to grow the economy.

Even the Joint Committee on Taxation, which uses numbers that, to me, are completely inaccurate—I mean, it is hard to feature that over the course of the next decade, our economy isn’t going to grow at more than 1.9 percent, but that is what they assume. Just by way of example, over the last two quarters, it has grown to 3.3 and 3.1 percent. If we can continue to build on that, we will more than pay for and have lots of revenue left over when this is all said and done. So if you assume modest amounts of economic growth—about two-tenths, three-tenths of 1 percent of additional growth in the economy per year—it more than covers what we are talking about here in terms of the shortfall of forgone revenue associated with this tax legislation.

That bill is based upon reasonable assumptions about growth. We have a bill that, if our economy really does pick up—and I believe it will if we put the right policies in place that encourage investment, track investment into this country, and provide the right incentives for businesses to expand their operations—we will see an entirely new economy where 1.9 percent growth, which has become the normal for too many people—there are too many people in this country who don’t know what 3 to 3.5 percent growth, which we can do so much better than that. This is America, the greatest economy on the face of the Earth. We ought to be able to get up to that 3 to 3.5 percent growth rate. If we do, this economy will take off, American businesses will start, entrepreneurs will start creating jobs, and we will have higher wages and bigger paychecks for American workers.

If you are going to get a “yes” vote later today on this.

I yield the floor.

Ms. COLLINS. Mr. President, today I wish to join in a colloquy with the majority leader to address concerns that I have with the tax reform legislation that we are considering and to thank him for the many discussions that we have had over the past months about this bill.

I have made clear that I don’t think that the repeal of the individual mandate should have been included in the tax bill. Rather, I would prefer to see the mandate issue and the other flaws in the ACA addressed through a series of discrete bills that can be thoughtfully targeted to correct specific problems. That said, I have long-supported the repeal of the so-called individual mandate because I do not believe that the Federal Government should force any American to buy healthcare coverage if neither does not want or cannot afford. Eighty percent of the people who pay the penalty imposed by the mandate make less than $50,000 a year.

Nevertheless, it appears very likely that the individual mandate repeal will be part of this legislation. Unless we take action, that repeal will almost certainly lead to further increases in the cost of health insurance premiums—premiums that are already too expensive under the ACA. Therefore, I believe that it is imperative that Congress take action to mitigate this likely premium increase.

There are two steps we can take to help remedy this situation. First, we need to pass the Bipartisan Health Care Stabilization Act of 2017, legislation authored by HELP Chairman ALEXANDER and Ranking Member MURRAY. This legislation will not only give States critical flexibility to better manage their insurance markets, but will also provide funding in 2019 and 2020 for cost-sharing reductions received by low-income enrollees in the ACA exchanges.

Mr. MCCONNELL. From its inception, I oppose the individual mandate because it is simply wrong for the Federal Government to require someone to purchase a particular product, particularly one they do not want and cannot afford. I agree that Alexander-Murray can help provide certain and flexibility for State insurance markets in the absence of the mandate and will support passage of the Bipartisan Health Care Stabilization Act, ideally prior to the adoption of any final tax reform conference agreement and certainly before the end of this year.

Ms. COLLINS. I thank the majority leader for his response. Second, it is critical that we provide States with the support they need to create State-based high-risk pools for their individual health insurance markets. In September, I introduced the bipartisan Lower Premiums Through Reinsurance Act of 2017, a bill that would allow States to protect people with pre-existing conditions while lowering premiums through the use of these high-risk pools. That bill would create a menu of options States could use to design reinsurance programs, which in turn would be eligible for Federal “seed money” grants that could leverage section 1332 “flow-through” funding to finance the programs. States may also add funds from other sources to the mix.

We know from the experience of Alaska and Maine just how effective such high-risk pools can be. Alaska’s pool reduced a projected 40 percent rate increase to just 7 percent this year and is expected to contribute to a 20-percent decline in premiums next year. Maine saw similar results in its program, the Maine Guaranteed Access Reinsurance Association.

I believe that passage of legislation to create and provide $5 billion in funding for high-risk pools annually over 2 years, together with the Bipartisan Health Care Stabilization Act, is critical for helping to offset the impact on individual market premiums in 2019 and 2020 due to repeal of the individual mandate.

Mr. MCCONNELL. I believe that State high-risk pools are a much better alternative to Federal mandates. I will also support passage of your bill and this funding to create high-risk pools, ideally prior to the adoption of any final tax reform conference agreement and certainly before the end of this year.

Ms. COLLINS. I thank the majority leader.

The PRESIDING OFFICER. The question is on agreeing to the Cardin motion to commit.

Mr. THUNE. I ask for the yeas and nays.

The PRESIDING OFFICER. The result was announced—yeas 43, nays 57, as follows:

[Rollcall Vote No. 292 Leg.]

YEAS—43

Baldwin  Harris  Nelson  Peters  Reed  Schatz  Shaheen  Stabenow  Tester

Bennet  Hassan  Heinrich  Hirono  Kaine  King  Shumer  Stabenow

Brown  Hoeven  Duckworth  Duckworth  Sanders  Shaheen  Stabenow

Cortez Masto  Menendez  Udall

Cowan  McColloch  Ossoff  Whitehouse  Whitehouse

Coons  Leahy  Wyden

Corse  McConnell  Martin  Whitmer  Wyden

Crescenz  McConnell  Murray

Franken

Murray
The motion was rejected. The PRESIDING OFFICER (Mr. BOOZMAN). The majority leader is recognized.

Mr. MCCONNELL. Mr. President, I ask unanimous consent that there now be 30 minutes for debate only, with no amendments or motions in order, with the majority leader being recognized at the conclusion of that time.

The PRESIDING OFFICER. Is there objection?

Mr. WYDEN. Reserving the right to object. The PRESIDING OFFICER. The Senator from Oregon is recognized.

Mr. WYDEN. Mr. President and colleagues, the Senate is looking at making $10 trillion of changes in tax policy on the fly. This is the biggest change in Federal income tax policy in more than three decades. This is legislation that will determine our country’s economic future for a generation, and, at this time, the Senate does not have the language the Senate will be voting on. My colleagues have been saying that they are out looking for it.

I have a couple of questions I would like to ask the distinguished majority leader.

When will the Senate be able to actually see the full text of this legislation?

Mr. MCCONNELL. Mr. President, I would say to my friend from Oregon that there will be plenty of time for him to read it.

Mr. WYDEN. Again, through the Chair, we are talking about complicated materials. We are talking about extraordinarily difficult, technical issues under the best of circumstances. While I respect the majority leader, to just be told we will have plenty of time to read it, what I can say is coming on top of the fact that we didn’t have a single hearing on the actual legislation, nothing with regard to specifics—I think on this side of the aisle we have a right to some sense of when we will actually be able to see this. It strikes me as a reasonable and pretty straightforward request, given the fact that the American people have been kept in the dark about this for so long.

So, again, I respectfully ask the majority leader: When will it be possible to see the full text of this bill?

Mr. MCCONNELL. Mr. President, I say to my good friend from Oregon, there were 4 days of hearings on the bill in committee with the committee report sent out at least 2 weeks ago. I am totally confident our friends on the other side are fully familiar with almost all aspects of this. He will certainly have an opportunity to read the final version, but he is very familiar with this. There was plenty of time to look at it in committee, and, as I said, there will be plenty of time to read the final version of it before we vote.

Mr. WYDEN. Further reserving my right to object, I know that on the other side there has been discussion of scores and scores of hearings. I would say to the distinguished majority leader, there was not one single hearing on the health changes the majority seeks to make that put a dagger into the heart of the Affordable Care Act.

So I will ask my colleague once more, and if we don’t get a sense of what time we are actually going to see this bill, I intend to object.

The PRESIDING OFFICER. The Senator from South Carolina is recognized.

Mr. SCOTT. Mr. President, I believe I have the floor. The PRESIDING OFFICER. Without objection, it is so ordered. There will now be 30 minutes of debate.

The Senator from Colorado.

Mr. BENNET. Mr. President, on the matter that was being discussed—I am on the Finance Committee. There has not been a hearing on this bill, not a single hearing. A markup is not a hearing. People might say, well, why is that a big deal? Why is that relevant? Because a hearing is an opportunity for the American people to say whether they want this bill or not. A hearing is an opportunity for an economist to come to the Senate and say whether they want this bill. A markup is a chance for Senators to say what is on their mind, not for the American people to be able to say what is on their mind. That is what I am thinking about today.

I wanted to start my remarks with a little bit of a history lesson because this Chamber seems to forget what it has said, where it has been, and it is only a year since a case of amnesia that you can support this legislation.

When Bill Clinton left the White House, he left his successor a projected surplus of $5.6 trillion. That is what George Bush inherited when he became President. The Senate was actually having hearings about what to do with the surplus and whether that surplus constituted some sort of threat to the economy. That is what he left behind.

Then, George Bush, with this Congress, cut taxes in 2001. They didn’t need to be—cause they paid for themselves. Then, George Bush, with this Congress, cut taxes in 2001. They didn’t pay for those tax cuts. They didn’t need to because they would pay for themselves.

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what they are saying today. It is exactly what they are saying today. In 2003, they passed another tax cut, and they didn’t pay for it, but they said it would pay for itself. Incredibly, the 2003 tax cut came after we had invaded Iraq under a pretext by this administration. Not only did we never ask the American people to pay for those wars, we cut their taxes and put the burden on their children. That supply-side economics, which is exactly the same thing that is going on today, resulted in the worst recession since the Great Depression.

We had a 10-percent unemployment rate when Barack Obama became President of the United States. That is worse than what else we had. We had a $1.5 trillion deficit, not a $5.6 trillion surplus—a $1.5 trillion deficit because of two un-paid-for wars, because of two tax cuts that weren’t paid for that were going to pay for themselves, and because they passed something called Medicare Part D—the prescription drug program for seniors—that they didn’t pay for. The minute Barack Obama became President, the 2001 tax cut became his deficit. They wouldn’t lift a finger to help working people in America who had lost their jobs in the worst recession since the Great Depression, brought on by their own economic policies and by the fiscality of some of the largest banks in this country. They wouldn’t lift a finger.

Then-Minority Leader MITCH MCCONNELL said in 2011—this is in 2011—“Now, we’ve reached the point where our economic obligations are so great they’re suffocating job growth, threatening the wider economy, and imperiling entitlements.” That is when we were in the depths a recession we had not seen since the Great Depression.

What the left one says, the deficit was about $550 billion. Today, it is $660 billion. As a result of this plan, J.P. Morgan was telling us, yesterday or the day before, that this will be the largest tax cuts ever in our history since World War II. What a disgrace. And for what? To give taxes to the wealthiest people in America.

This is an unusual thing to do, but I am putting up the Republicans’ chart. This is their chart. The Senator from Pennsylvania is on the floor. This is their chart, where they are telling my farmers and ranchers in rural Colorado that they should be satisfied with these percentages they are giving them, these millions of dollars. You can’t eat percentages. You can’t feed your family on rate cuts. You can’t run your farm or your ranch on rate cuts.

Do they think they are not going to get it figured out? Colorado’s Republicans are too smart for this bill. They are too smart for this bill. So are Colorado’s Democrats and Independents. Unlike us, they actually have to worry about the next generation of Americans. That is all they do. They know our politics is not up to that. It is not up to the aspirations they have for their kids and for their grandchildren.

No piece of legislation could illustrate how right they are than this piece of legislation and the mistruths that have been used to sell—the President going to Missouri and saying: This is a middle-class tax cut. This hurts the rich right like me.

No, it doesn’t. What people are concerned about, and what they will be concerned about is, their after-tax income as a result of the changes that are being made is the best year. I didn’t bring out the worst year. This is 2019. This is what you are going to be getting. It is great if you are up here, and you are making more than $1 million—where, by the way, I have not met a person who says they have cashflow problems that this tax cut is going to help them with.

I know a lot of people in Colorado and I will bet you in Arkansas and in Pennsylvania—who are still struggling economically—$50,000 to $75,000 families incomes have been flat for 20 years, and the costs of housing, higher education, early childhood education, and healthcare are forcing them to make choices that their parents and grandparents never had to make for their kids.

What a shame to be taking healthcare away from 13 million people in this bill, instead of trying to make the system better. This bill rejects all the testimony we had in hearing after hearing on the Health, Education, Labor, and Pensions Committee.

This is my final chart. This is the math of this bill. This bill takes $34 billion a year—in tax cuts and gives it to 572,000 taxpayers. You can’t even see that. I know you can’t see it on the TV. It looks like a pencil line because that is the scale. That is how few people there are in our economy. There are 90 million of them, not 572,000. There are 90 million of them. They get $14 billion out of this bill. That is an average tax cut of $160—$75.

These aren’t talking points. This is the math that is at the heart of the deal the Republicans have said is a middle-class tax cut. You know what is even worse about it? Just like the 2001 tax cut, they are not paying for it. They are borrowing the money from middle-class families all over the country, from the sons and daughters of teachers, firefighters, and police officers. That is who is going to have to pay back that bill. And for what? To end poverty in America? No. To invest in infrastructure or healthcare or to strengthen our safety net? No. To fritter it away on $34 billion worth of tax cuts for the wealthiest people in America.

I am going to close by saying this. Before I got here 9 years ago, I never would have believed that something this cynical could happen on the floor of the Senate. I wouldn’t have believed it. Colleagues of mine who said for years that this is all just about getting to cuts to Medicare, Social Security, and Medicaid, I would say: No, it is not. The people care. They want to sort out our fiscal condition. I was wrong. They were right. This is about that. That is what they are going to come back here and do. It is going to be really hard to withstand it.

President Trump, after all this for these 10 years around here, since we were fighting, trying to fight out of the worst recession since the Great Depression—which we did, by the way—in the name of fiscal responsibility, we had fiscal cliffs; in the name of fiscal responsibility, we had government shutdowns; in the name of fiscal responsibility, we passed 30 temporary budgets that no school district in Colorado could get away with once. Have we managed to restore our fiscal health? No. Have we piled on more debt for our kids and grandchildren? Yes. That is what is going to happen here.

It is no wonder, when we elected a President, somebody who told the American people—and was nominated by the Republican Party and elected by the United States of America—President Trump promised that he would eliminate our debt “over a period of eight years”; that he would deliver “a giant, beautiful, massive” tax cut—that was supposed to be for the forgotten man. Unless the people making over $1 million are the “forgotten man,” he didn’t deliver on that—pass “one of the largest increases in national defense spending in American history;” while saying, “I’m not going to cut Social Security... and I’m not going to cut Medicare or Medicaid.”

There is a job that every American has to do for the next generation of Americans; that is, to leave more opportunity, not less, to the people who are coming after us. This bill that has been so falsely described and written in such a way that it actually denies the middle class in America benefits it really could use and does so by putting a bunch more debt on the backs of their children is something this Senate should reject.

I yield the floor.

THE PRESIDING OFFICER. The Senator from Pennsylvania is recognized.

Mr. TOOMEY. Mr. President, I am going to be brief. I am going to yield to my colleague from South Carolina, and I think my colleague from South Dakota has a few comments.

I want to respond to some of the points my colleague from Colorado made. First, I want to thank him for bringing out our chart. What our chart illustrates is that every category of income earners in America gets a tax cut under our plan. If you look toward the left of the chart, you see that the biggest reductions go to the people in the
When we are talking about the benefits, we are talking about real people—people like Sherry, back in South Carolina, a single parent with two kids, who is trying to start a business, who is struggling to keep her ends together, believing that someone, somewhere, sees her, that the decision makers in Washington don't see her as invisible or unimportant. I am not talking about tax philosophy. I am talking about real people who need their money more than the government does. If we are going to talk about tax cuts and tax revenue, let us be clear that in the 1920s, during the Mellon tax cuts, which slashed the high rate from 70 percent down to the twenties throughout the 1920s, revenues went up by 61 percent. Under the Kennedy administration, we cut taxes, and tax revenues went up. We cut taxes, and the government got more. When we talk about tax cuts, we are talking about tax cuts for her. Now, maybe our colleague from Colorado thinks that per-ceived more people have a $2,200 tax cut. That is a 75-percent tax cut for her. Now, maybe our colleague from Colorado thinks that percentage doesn't matter. I think it probably matters to her. A 75-percent reduction in the taxes that she has to pay probably matters to her. It is probably pretty helpful.

You could take the case of a family of four who earns the median national income. That is $73,000. On average, they will have a $2,200 tax cut. That is a 60-percent tax cut. I am at a loss as to why that doesn't matter to that family. I think it matters a lot. I think that family can do a lot with that $2,200. The fact is that our bill lowers taxes for every category of income earner, and the proportionate share is the greatest for the lowest income earners. This is good for working Americans and middle-class Americans.

My friend from Colorado thinks that president is really all about, because 2-percent growth is not good enough. I yield to my colleague from South Carolina.

Mr. SCOTT. Mr. President, this is what I find astonishing. We have been talking about this for a number of months. Frankly, for years we have been talking about tax reform. Actually, since 1986 we have been talking about tax reform. Our plan removes millions of low-income Americans from having to pay taxes. I think it is interesting that our friend from the left is sincere but wrong. It misses the fact that if you are living in a single-parent household, with a mother or a father who is working paycheck to paycheck, getting another $100 a month is real money. Why are we not talking about the actual benefits to the specific people who benefit from this tax reform? When Senator Toomey talks about the typical American family seeing its taxes slashed by 60 percent, why is that specific yielding of $2,200 not a meaningful—perhaps, transformative—saving that allows someone now to save for college or to save for retirement? To me, this is where the rubber meets the road. Yes, here on the other side of the Potomac, it is OK to talk in platitudes. I prefer to talk to individuals about the impact of our actions in their households and the impact of our actions in their accounts. It is a very simple way of doing the math. You don't have to pull out a calculator for a 75-percent reduction for the average single parent who makes $41,000. The reason that we use $41,000 is that that is the average income of a single head of household. The reason that we use $73,000 is that that is the typical American family's income.
This 2-percent growth is not and should not be the new normal for the American economy.

That is what we have had for the last 8 years. During President Obama’s entire time in office, we didn’t have a single year in which the GDP was more than 3 percent—not 1 year. If you go back historically—literally to the end of World War II, about 1948—and roll forward to today, the average in the American economy has been 3 to 3.5 percent, but there has not been a single year in which we had more than 3 percent. We have had, literally, a decade now of flat wages, where American families and individuals have not seen any growth in their incomes.

What we hope to accomplish through all of this will be changes made to the Tax Code that will increase investment through lowering rates on businesses, allowing them to recover their costs of investment faster, and accelerating their cost recovery. Those are changes—those are reforms in our Tax Code—that will help unleash this economy and get us back, closer to normal, where we were creating those good-paying jobs. Then, we can start doing something, at the same time, about spending around here, and we will start seeing those deficits go down. The best thing that can happen for the American economy, the best thing that can happen for the American family, and the best thing that can happen for the American worker is to have a growing, vibrant economy.

To my colleagues on the other side who consistently get up and say there is no benefit to this that will be delivered to middle-income families in this country, again, I will say what has already been said by my colleagues from South Carolina and from Pennsylvania, which is to look at a typical family of four with a combined annual income of $73,000, who under this tax cut bill will receive a tax cut of $2,200—a 60-percent reduction over what they are paying today under current law. That is what that average family of four will see.

No, the Senator from Colorado said that he doesn’t believe that Colorado Republicans are for this. I can tell you who is going to be for this—the people, the families, who get the $2,200 tax cut. That is $2,200 they are going to have in their pockets.

You heard my colleague from South Carolina talk about that family that lives paycheck to paycheck or about that single mom who wants a better future for her kids. How do we help them? One of the ways we help them is to reduce the burden—the take—that their government takes from them every single year and to allow them to keep more in their pockets. Let’s give them bigger paychecks, and let’s let them decide how to spend the money.

That is a fundamental difference that we have had around here for a long time. We come here believing that the way you help American families is to start growing the economy, rather than growing the government, allowing the American people to make decisions that are in their best interests and in the best interests of them and their families about how they want to save for retirement, how they want to help their kids get college educations, how they want to improve their lives, rather than sending the money to Washington, DC, and letting Washington spend it. That is, fundamentally, the difference, I think, that we are talking about here.

As to the arguments that have been made by the other side, they just aren’t based on facts. The data tells a different story as the Senator from Pennsylvania pointed out. Look at the chart. Look at the percentage of tax cuts. Who benefits? We have worked very, very hard on this bill to maintain progressivity in the Tax Code so that we have tax relief delivered to those hard-working American families, whose hard-working American tax-payers who need a break, who are living paycheck to paycheck.

Honestly, I hope, when this is all said and done, that not only will we be able to pass this bill, but that, maybe, we will get a few Democrats who might decide that it will be in the best interests of their constituencies to help their families and their States realize more income in their pockets and bigger paychecks and, hopefully, an opportunity to live out their versions of the American dream for them, for their kids, and for their grandkids. That is what the American experience and the American dream are really all about. When we take more and more here in Washington, DC, that means that American families have less with which to help themselves and to plan for their futures.

Our time has expired.

Mr. WYDEN. Mr. President, how much time remains on our side?

The PRESIDING OFFICER (Mr. CRUZ). The majority controls 1 minute, and the Democrats control 1½ minutes.

Mr. WYDEN. Mr. President, I will take my time.

The PRESIDING OFFICER. The Senator from Oregon.

Mr. WYDEN. We have just a minute and a half. The hour is late. I want to repeat once again that we still do not have this bill. We have seen apparently, in the last few hours, tax changes that involve billions and billions of dollars. The American people have a right to know what is in this proposal, and certainly we on this side of the aisle have a right to know about it.

I am struck by the comments of my colleagues on the other side that learning the facts about what the Joint Committee on Taxation had to say about the Republican proposal—0.8 percent growth, $1 trillion short in spending—has had absolutely no effect on the discussion we are having from the Republican side.

I see my friend the distinguished majority leader here, and I believe he will propound a unanimous consent request. As he knows, I will have another reservation, and we will discuss this some more.

The PRESIDING OFFICER. The majority leader.

Mr. MCCONNELL. Mr. President, I ask unanimous consent that there now be 30 minutes equally divided for debate only, with no amendments or motions in order and with the majority leader being recognized at the conclusion of that time.

The PRESIDING OFFICER. Is there objection?

Mr. WYDEN. Reserving the right to object.

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

The PRESIDING OFFICER. The clerk will call the roll.

The 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. Is there objection to the majority leader’s unanimous consent request?

Mr. WYDEN. Reserving the right to object. Mr. President, I understand that we are going to get the proposal from the majority shortly. I come back again to the fact that there are changes apparently worth billions and billions of dollars, like the pass-through provision. We need to be able to see these. The American people have a right to know.

I believe the majority has indicated that we will get this shortly, and I would reserve the right to ask questions and will point out that if we don’t get it shortly, I will stay at my post and keep objecting because the American people have a right to know that tax policy is being made in the dark.

The PRESIDING OFFICER. Without objection, it is so ordered. Who yields time?

The Senator from Colorado.

Mr. GARDNER. Mr. President, I want to talk about the Republican proposal for passing this tax reform legislation for the people of Colorado. What we have is an opportunity to see real wage growth in this country—something we haven’t seen for far too long. Over the past decade, I think people who are on both sides of the aisle have recognized that while there might be some economic job activity, job creation taking place, while we might see some low economic unemployment numbers in States like Colorado, what we haven’t seen is the level of wage growth we know we can create.

Under the analysis done by non-partisan think tanks in Colorado, they
estimate that wages would grow—after-tax income—over $3,000. That is incredible wage growth for families who many people estimate and who other economists have said could see a financial hardship if they were asked to come up with $400. In fact, we know that a third of people in America had to come up with $400 today, it would create a financial crisis in their household.

We heard our colleague from Pennsylvania and our colleague from South Dakota talking about the fact that a family earning a median household income of $73,000 would see a 60-percent reduction in their taxes next year. A single parent with a child, earning $41,000 a year, would see a 75-percent tax cut.

Let me read a headline from a story in Colorado. The headline of this article is “How Tax Reform Can Empower This Drive-in Theater Owner to Expand Her Business.” What she is talking about is how if she sees lower taxes at the 88 Drive-in—that is an iconic drive-in in Commerce City, CO. If you see this drive-in, you will know exactly—it is iconic on the landscape. She believes that if her taxes are lower, she will have more money to buy the property next door, which will allow her to expand her business. She talks about the fact that she has to turn people away because so many people are going to it and they don’t have enough room. She wants to expand, but she is held back by our uncompetitive Tax Code. If we cut taxes, she will be able to buy land, expand the business, and create more jobs. It is a greater opportunity for her, her family, and the people of Colorado.

This is really an opportunity to see the kind of growth and wage growth that we haven’t seen in this country for far too long.

I have held several roundtables on taxes, both at the Eastern Plains of Colorado, where I live. People are worried about their income because they haven’t seen the kind of economic growth, the numbers in employment growth that they have in the Front Range, in Denver. I have held roundtables on the Western Slope of Colorado, in Southern Colorado, Northern Colorado, and they are all very worried about a country that is not as competitive as it used to be. They know that people worry about the fact that they would see those jobs and investment come back into this country once again.

People in Pueblo, CO, know they need jobs brought back into their community because while many areas of Colorado have seen very low unemployment rates, they haven’t seen the kind of growth other areas have. They know that with a competitive tax code that brings jobs and money back from overseas, that will provide real relief to a single parent at home, and to a family of four working hard to make ends meet. They are going to pay less taxes next year as a result. They are going to be able to spend the money they want to in Pueblo, CO, to put it into an investment that they want to in Brighton, CO. It will be an investment that somebody in Craig, CO, wants to have. That is what they are focused on. They want to get the money in their pockets. They earned it. They should keep it, not Washington, DC, where they make bad decisions on how to spend their hard-earned dollars.

The PRESIDING OFFICER. The Senator from Pennsylvania.

Mr. CASEY. Mr. President, I rise to talk about the matter that this bill deals with that we are not hearing a lot about. I wanted to start, though, with the basics in terms of the overall debate.

I have said many times in the last number of days and weeks when we have reviewed the House proposal and when we reviewed the Senate proposal that was voted on in the Senate Finance Committee before Thanksgiving—I described the Senate bill as a giveaway to the superrich and big, multinational corporations. I still believe that.

I hope that when we see the new version of the bill, I won’t have to say that again, but I am afraid I will. I am afraid I will have to say that once more. Let me tell you some of the data on what the tax impact would be on certain income brackets in the United States, even starting in the first year where the analysis starts, 2019—I am looking at page 3 of a report by the Tax Policy Center dated November 20 and based upon the Senate bill. In that year, tax year 2019, table No. 1 focuses on three income categories: folks making between $50,000 and $87,000; folks making between about $310,000 and $750,000; and others making above $750,000, so basically the top 1 percent. Here is what they find.

The Tax Policy Center tells us that the first group, the family making $50,000 to $87,000, would receive an average tax cut of about $900, or 1.4 percent of after-tax income. The next group, the $310,000 to $750,000 income, gets a tax benefit that amounts to about $12,000, or 3.5 percent. The top 1 percent—$750,000 and up—they get a tax break of $34,000, or 2.2 percent.

People have asked, significant numbers in there by way of comparison aren’t necessarily the dollar amounts, although I would ask why the top 1 percent needs $34,000 in 2019. I don’t think that should be part of our legislation. I would like to see all of the tax benefits to the top 1 percent go to the middle and those trying to get to the middle. But let’s do the comparison.

In the first year the benefits of these families making $50,000 to $75,000, they get 1.4 percent. The folks making between $310,000 and $750,000 get 3.5 percent—more than two full percentage points higher. Why is that? Why do people making $310,000 to $750,000 get a much bigger percentage than people making $50,000 to $75,000? The third category is the top 1 percent, and they get 2.2 percent. So I have problems with this legislation just based upon that. Why does the top 1 percent need one more penny? Why do very wealthy people—maybe not quite the top 1 percent but the 95th to 99th percentile, the $310,000 to $750,000 category—why do they need a tax break?

Guess what. It doesn’t get any better down the road. And I am not talking about 2027, where it is cataclysmic for families in the middle; let’s talk about 2 years before that. It is still bad. It is still 3 percent, by comparison, for the very wealthy, people making up to $750,000. The top 1 percent are still getting 2.1 percent. But the income category between $50,000 and $87,000 gets 1.2 percent of the tax cut, so they will be getting worse in 2025. Why is that? As my colleague, the senior Senator from Connecticut, should tell the Hart, why do people making more than $1 million need $34 billion in 1 year? I don’t understand it.

Let me focus in particular on part of the debate about which we really haven’t had much discussion. The impact of this tax bill may be the only substantial effort that will be made on tax reform for years, if not decades. We know that the last time any kind of major tax reform was done was 1986, so three decades have passed since the last tax reform effort was critically important moment not just for taxpayers, not just for the economy, not just for families generally, but especially for children.

In a bill of this significance, a bill of this impact, one major question should be asked, among many: What will be the impact on children? What is the child impact statement, if we were to draft one, if we had to articulate that? What is the impact on children of this legislation?

Well, there are a lot of organizations around the country that pay attention to public policy as it relates to children. I am looking at a letter dated November 28 and signed by a long list of organizations that advocate on behalf of children, and I will just read some of the headlines from this letter.

The first headline says: “The Senate tax plan threatens child care programs and funding for the future.” The second major headline says: “The Senate tax bill’s proposal to cut the Affordable Care Act would harm children’s health and well-being.”
The next headline says: “The Child Tax Credit proposal in the Senate tax bill would not help families who struggle to pay for child care.”

The next headline says: “The Senate tax bill also takes away other tax benefits that families rely on.

Mr. President, I ask unanimous consent that this letter be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD.

DEAR SENATOR: As members of the Child Care/Early Learning Coalition, we urge you to vote against the “Tax Cuts and Jobs Act.”

This bill would eliminate existing benefits in the tax code that help children and families, as well as undermine critical supports, including those related to child care and early education, in the future.

The Senate tax plan threatens child care programs and funding in the future. The Senate tax bill, which consists largely of massive tax cuts for businesses and the wealthy, is estimated to increase the deficit by about $1.4 trillion over ten years. The budget agreed upon by the House and Senate provides for Congress to offset this increase in the deficit: by cutting federal spending and, in particular, by slashing programs and services that provide working families and children with the supports they need to see right now. So, in the course of that so-called markup, members of the Finance Committee and give us testimony from experts across this country who live and breathe the work of being advocates for children. I don’t remember any discussion in the course of that so-called markup, as the ranking member of the committee, he will remember, as I do, that there were no hearings, not a single vote on that issue that relates to the bill. There has been a lot of talk on the Republican side about the child tax credit; they are allegedly making it better. Well, the Senate Republican plan does increase the maximum tax credit for children from $1,000 to $2,000 per child. That sounds pretty good so far, right—$1,000 to $2,000. But because the bill limits refundability, a mom working full-time at minimum wage will see only an additional $75 in the child tax credit, while a married couple earning $500,000 would become newly eligible for the maximum $2,000-per-child credit.

According to the Center on Budget and Policy Priorities, 10 million children—10 million—live in families who would get $6.25 or less per month in the additional child tax credit in this bill. So there is not much improvement in the child tax credit on maybe the only tax bill that this body will consider for the next 30 years. Let’s say it is only 10 years. Wouldn’t it be nice to have some testimony from experts across this country who live and breathe the work of being advocates for children, who study every bill to determine whether it impacts on children. Wouldn’t it be nice to have their testimony on the child tax credit, maybe just on the child and dependent care tax credit, which is the only tax provision in law right now that helps people pay for childcare.

Ask any family: What is your No. 1 concern, other than making ends meet and maybe paying for higher education? Other than a few priorities like food, housing, clothing, and other things like paying for childcare, there is no testimony on that issue that relates to the bill. There is no testimony at all because there were no hearings on the bill. How can you have a child impact statement, how can you even generalize about it without a hearing? Of course, we need more than generalizations. We need specifics. So I think we have to ask those questions and be focused on children in a very specific way.

Here is the last thing I will say. This opportunity to come together in a bipartisan fashion, which has not happened in this case—but we have the opportunity, and the majority could have taken a different path; they could have said to us months ago: Let’s have a bipartisan process. Let’s not move to a pathway that requires only 51 votes. Let’s have a real bipartisan process on tax reform as they did in the mid-1980s, resulting in the 1986 bill. They could have had a bipartisan process. They could have had a bipartisan concern about children. We like the child tax credit. We like the child independent care tax credit.
We like the earned-income tax credit. All of those are good policies. We want to make them better. We want to have an bipartisan effort to infuse all of those policies with even more funding, more help to make them more robust for our children, but that never happened.

One case of where the majority did, the pathway they selected to passing their bill with only Republican votes—and that was their choice—we will have a tax bill that will not have a child impact statement, will not have hearings about the impact on children and families, will not have any of that. Once again, we will prove that Washington, DC, never misses an opportunity to miss an opportunity, especially as it relates to children and families. That is particularly insulting to the American people and regrettable because we have a moment here where we are trying to do tax reform and because it is not bipartisan, because there were no hearings on the bill, the impact will never be fully assessed. That is not just a tragedy, but that is a real insult to our families and to our children.

I yield the floor.

The PRESIDING OFFICER. The Senator from Pennsylvania.

Mr. TOOMEY. Mr. President, how much time is remaining on the majority side?

The PRESIDING OFFICER. Ten and a half minutes remaining.

Mr. TOOMEY. OK. Thank you, Mr. President. I will be brief because I think my colleague from South Carolina has a comment he wants to make.

Let me respond just briefly to my colleague from Colorado. I think he is right; there is no criticism that more could be done, that we should have done more. But what I wanted to stress for a moment is that we want to keep wealth. We focus on where there are actual differences and the facts in question. But there is no question that we are lowering taxes on middle-income families because we are lowering taxes on every category of wages.

The people who are watching on C-Span and the people who are listening in the gallery must get a little frustrated and must ask themselves: Well, who can we believe? We hear one side say: This is lower taxes for working families. We have the other side say: Oh, it is higher taxes.

I have to disagree with that. I know there is a solution. You could look it up at Joint Committee on Taxation, but that is tedious. You have to go to the website, you have to find it, and then you would see in the tables—because they are ambiguous—that taxes owed go down in every category.

Do you know when people are going to know for sure what the answer is? It is going to come in January when the withholding in their paycheck changes. By then, the impact will be never be fully assessed. That is not just a tragedy, but that is a real insult to our families and to our children.

Here is a quick word about the repeal of the individual mandate. My friend and colleague from Oregon described it. I am paraphrasing, but I think I will get it about right. He described the repeal of the individual mandate as driving a stake through the heart of ObamaCare or something equivalent to that. I couldn't help but think: What an incredibly damming indictment of ObamaCare. Think about what that means.

Think about what they are saying if repealing the individual mandate drives a stake through the heart of ObamaCare. The individual mandate is the provision which says that you have to buy this or you are going to get hit with a penalty, a tax penalty.

Think about what they are saying if repealing the individual mandate drives a stake through the heart of ObamaCare. The individual mandate is the provision which says that you have to buy this or you are going to get hit with a penalty, a tax penalty. You have to. You are forced to. The government dictates the terms, the government effectively dictates prices, and you must buy it. If you don’t, you will get hit with a penalty, a tax penalty.

We don’t actually repeal the mandate, but we eliminate that tax penalty, and that is going to be very helpful for low- and middle-income families, working-class families. In Pennsylvania, 83 percent of all the people who get hit with the individual mandate tax live in a household with income of $50,000 or less. That is who is paying this.

But what I wanted to stress for a moment is what a damming indictment it is of ObamaCare. That works, according to its proponents, if people are forced to buy the product. It is so badly designed, it is so terrible that people will not buy it voluntarily, despite huge subsidies.

We don’t change any of the subsidies. They are all available to anyone who wants to participate. We don’t change the rules. We don’t change eligibility. We don’t change anything except one thing. We say that if you decide this plan doesn’t fit your family or if you decide for all the subsidies you get it is still not worth it for you to have this plan and you opt out, you will no longer be punished with this tax. That is the only thing in this bill.

Since we eliminate that coercion, which forces people to buy it, our colleagues on the other side say that drives a stake through the heart of ObamaCare. It seems to me that a stake through the heart of people who have to be forced to buy and that is killed if they are not forced to buy it probably isn’t a great deal for those people, and I think we just got that admission.

With that, I yield to my colleague from South Carolina.

The PRESIDING OFFICER. The Senator from South Carolina.

Mr. SCOTT. I will say, Mr. President, that my colleague from Pennsylvania did such a good job that there is little left for me to say. I was just confused on what I would say, and I will be honest with you that there is just not much to say.

If I were to reinforce a couple of points that the Senator did not cover, the point would be that at our last Finance hearing, which lasted—I thought it was 12 hours; it was 23 hours—we had our friends on the other side offer 63 amendments. To say that they are not engaged in the process is to forget the 63 amendments offered over 23 hours.

Senator Toomey did such a good job that I am just going to sit back down.

Mr. THUNE. My President, Senator Scott and I and the Senator from Pennsylvania were all there at what we call the markup.

Mr. SCOTT. We were.

Mr. THUNE. My recollection is like his, and, frankly, my recollection, when it comes to all the work that went into getting to us to where we are today, back in January. I joined the Senate Finance Committee in 2011. I am not sure when the Senator from South Carolina joined or the Senator from Pennsylvania, but it was shortly after that, I think.

Since I have been on the Finance Committee, we have had 70-plus hearings—70-plus hearings on tax reform. We have looked at every facet, every aspect, every element of the Tax Code. We even went so far 2 years ago, in 2015, to create five working groups. We even went so far 2 years ago, in 2015, to create five working groups. We went into getting us to where we are today.

It is particularly insulting to the American people and regrettable because we have a moment here where we are trying to do tax reform and because it is not bipartisan, because there were no hearings on the bill, the impact will never be fully assessed. That is not just a tragedy, but that is a real insult to our families and to our children.

We said, let’s see: more money to create more job opportunities at higher wages. I think it is a huge subsidy.

They are all available to anyone who wants to participate. We don’t change any of the subsidies. We don’t change anything except one thing. We say that if you decide this plan doesn’t fit your family or if you decide for all the subsidies you get it is still not worth it for you to have this plan and you opt out, you will no longer be punished with this tax. That is the only thing in this bill.

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The American people have a right to know that even though the majority wants to make $10 trillion worth of tax policy changes on the fly, this side of Christmas, this side of our country isn’t that wealthy people in this country aren’t that wealthy enough; the problem is, the wealth gap has grown to the highest levels in my lifetime. This bill would make that wealth gap even bigger.

Senator Paul Wellstone often said: “We all do better when we all do better.” He knew the economy does better when there is a strong middle class and when working families have more money to spend. Unfortunately, the Republican tax bill does the opposite of what Paul Wellstone argued for. Instead of helping working families, it raises taxes on at least 14 million of them and it uses this revenue to give $1 trillion to the superrich, all while adding $1.5 trillion to our national debt. This is, at its core, an awful bill.

When President Trump took office, he pledged that he would look out for the “forgotten men and women.” This is not the wealthy. This bill is a betrayal of that commitment.

I believe Congress should work on a bipartisan basis to make our Tax Code fairer and simpler for working families, and that is what I have advocated for since I joined the Senate. Democrats have made a good-faith effort to work in a bipartisan manner on a tax reform bill with Republicans, but Republicans have chosen, from the very start of this Congress, to take a purely partisan approach that has left Democrats entirely out of the discussion.

We all know this bill is being rushed through Congress so Republicans can claim a legislative achievement by the end of the year. The only way you get a fairer, simpler Tax Code is by having hearings with outside witnesses.
You get a fairer, simpler Tax Code by giving Americans an opportunity to weigh in as it is being drafted, to review the bill, and to share their views. You get a simpler, fairer Tax Code by doing it in a bipartisan manner, not by excluding Democrats entirely from the drafting of the bill.

The fast-track process Republicans are using is just like the Republicans’ equally partisan, equally secretive, and equally contempt to repeal and replace ObamaCare earlier this year. Americans deserve better.

In their effort to get this bill through before Americans realize just how damaging it is, many Republicans have made some misleading claims about it. For example, Republicans often cite the fact that the bill would double the standard deduction that families can claim on their tax return. That is true, but they always seem to leave out the very important fact that their bill would also eliminate the personal exemption. The personal exemption is about $4,000 for each family member, so when compared with a $12,000 increase in the standard deduction, it means households with two parents and more than one child would be worse off under the Republican tax bill than under current law; for example, with two children.

Sometimes they argue that doubling the child tax credit from $1,000 to $2,000 would offset the loss of the personal exemption, but under their plan families who most need the help would get hardly anything from the increase in the deduction, which is refundable. So, for instance, a family living off a minimum wage earner would benefit by only about 75 more dollars under this bill's revised child tax cred- it, not the full $1,000 some Republicans promote. The Republican bill would also now allow people earning up to $500,000 a year to claim the full tax credit of $2,000 per child. That is $500,000 a year, up from $110,000 as it is now. So that is $75 more per child for a minimum wage earner and $2,000 per child for someone making $500,000 a year. That is just not fair.

We hear from our friends on the Republican side that tax cuts always pay for themselves. Ask the people of Kan- sas about that. When Kansas cut taxes in 2012 and in 2013, State revenues plummeted, Kansas slashed university budgets, canceled highway projects, and had to borrow $1 billion to fund their budget plan. Students around the State started going 4 days a week. Teachers moved across the river from Kansas City, KS, to Kansas City, MO. From 2013 to mid-2017, the Kansas economy underperformed that of nearly all states overall in economic growth, pri- vate sector job creation, passthrough business formation, and labor force participation. Finally, corporations begged the legislature to raise their taxes which they did, over the Gover- nor’s veto.

That is Kansas; take the whole country. Bruce Bartlett, Ronald Reagan’s economic adviser, wrote a few weeks ago:

The Tax Reform Act of 1986 reduced the top personal tax rate to just 28 percent from 50 percent, and the corporate percent to 34 percent from 52 percent. There was no in- crease in the rate of economic growth in sub- sequent years, and by 1990, the economy was in deep recession.

Tax cuts don’t magically pay for themselves.

I would also like to highlight the Rep- ublican hypocrisy on budget deficits. For many years, Republicans have used budget deficits as an excuse to block important pieces of legislation. In fact, even now, we are in danger of stripping health insurance away from 9 million children because of difficulties finding offsets for reauthorization of the Chil- dren’s Health Insurance Program. Yet, when it comes to the tax bill, only a handful of Republicans have raised con- cerns about the fact that it would add $1.5 trillion in new debt.

We know from experience that as soon as the ink is dry on this bill, Rep- ublicans will cite the rising national debt caused by this bill as a reason to cut key programs that millions of Americans rely on every day—things like Social Security, Medicare, Medicaid, job training, education, infrastructure, and affordable housing. In fact, under their budget resolution that Repub- licans adopted just 2 months ago, they laid out their plans for these reduc- tions, which would include over $1 tril- lion in Medicaid cuts and $470 billion in Medicare cuts.

This bill would also trigger auto- matic cuts to some key programs. So in exchange for the bill’s minimum tax cuts for some working families, start- ing in 2018, there would be an auto- matic 4-percent reduction in Medicare payments and a zeroing out of other key accounts—a zeroing out of the Children’s Health Insurance, price sup- port programs, and the social services block grant that provides funds to Meals on Wheels, youth counseling, and other important services for vul- nerable people.

There are many better uses for $1.5 trillion. President Trump said he want- ed to work with Congress on a $1 tril- lion infrastructure package to rebuild our roads, our airports, our ports, and to build broadband across America. I have said I would like to work with the President and my Republican col- leagues on a comprehensive bill, but this bill would make it impossible to enact a $1 trillion infrastructure pack- age the President promised and which we have really heard nothing about.

There are too many flaws with the Republican bill to highlight them all now, but I would like to raise one that is particularly important to Min- nesotans. The bill before us today would eliminate the State and local tax deduction. It is an important de- duct for millions of Americans who take the taxes they pay to their State and local governments, first of all, it pre- vents the double taxation of their in- come, and it enables our local communi- ties to make investments in public safety and education, childcare, and in- frastructure. According to the Tax Pol- icy Center, 31 percent of Minnesotans claim the State and local tax deduc- tion with an average deduction of al- most $13,000. Eliminating this deduc- tion means a significant tax increase for those families and would make it harder for local communities in Min- nesota to raise the revenue necessary to make vital investments.

I have heard outrage over the Repub- lican approach to tax reform from a very wide range of my constituents. I have heard from Minnesota farmers about how it would undermine agricul- tural cooperatives, which are really important to Minnesota. I have heard from Minnesota students who are con- cerned it will force them out of grad- uate school. I have heard from Min- nesota homebuilders and developers who say it would cut affordable hous- ing construction in half. I have heard from Realtors who say the bill could put people out of their homes.

Americans deserve a fairer, simpler Tax Code, not the debt-funded give- away to the wealthy that Republicans are trying to force through the Senate today. That is why I oppose this bill, and I urge my colleagues to oppose it as well.

I yield the floor.

The PRESIDING OFFICER. The Sen- ator from South Carolina.

Mr. SCOTT. Mr. President, we have heard a lot about this bill over the last several hours and, frankly, several weeks, and we have had a lot of con- versations over the last several months, but, today, December 1, 2017, at 4:24 p.m.—and I hope we remember this because I have finally heard the de- finition of “fearmongering.”

Someone once said that fear is an ac- ronym for false evidence appearing real. What we have heard is that many of the provisions of this bill, the Crime Victims Fund will be zeroed out. We heard the social services block grants will go away. We heard there will be cuts to Medicaid. I want all the folks in this Chamber to remember the time so that if they ever have to go back and find it, they will know it was December 1 at 4:24 p.m. when it was said.

So here is my thought: A few months in August 2018, when your takehome pay has increased because the government is taking less of your hard-earned money—punishing you less and reward- ing your success more—just remember to check and see if there is any money in those provisions of this bill, the Crime Victims Fund will be zeroed out.

We heard the social services block grants will go away. We heard there will be cuts to Medicaid. I want all the folks in this Chamber to remember the time so that if they ever have to go back and find it, they will know it was December 1 at 4:24 p.m. when it was said.

I look forward to hopefully passing this bill today. I hope we do. I look for- ward to the American people taking
the time to remember the exact time, the exact date that this was said, and then do the research necessary to draw their own conclusion. The first conclusion that will be easy to come to is that when you look at your pay stub and you start seeing is more money in it in 2018 than there was in 2017, just remember how it got there. It is not because of what we do, because there are some folks on this side of the Potomac who believe we actually have Federal dollars. There are no Federal dollars. Everything we spend in Washington comes from a taxpayer somewhere. There are no Federal dollars; there are simply taxpayer dollars arriving in Washington to be used in some way.

I am only suggesting that the average American can spend their money in the way best for their family significantly better than we can.

So I hope the good people of this country who are paying attention to this very important debate will be able to remember, so they can review the tape, review the video, the DVR—or whatever you call it nowadays—and see for themselves what was said or go someplace online and figure out, at the end of 2018, the middle of 2018, the beginning of 2019, has something actually changed other than that you have more money in your paycheck?

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

Mr. PORTMAN. Mr. President, this is a big day because we are about to provide tax relief to millions of people in Ohio and around the country—middle-class tax cuts, doubling the standard deduction, doubling the child tax credit, lower rates for people in every bracket. In my home State of Ohio, we have the opportunity to see people who are making $50,000 a year, with two kids, see a 26-percent tax cut. That is important.

My colleague just talked about his concern about some of the provisions that are before us. I will say, these have all been filed. That doesn’t always happen around here, and it should. They have all been filed, and people can go on rcsenate.gov. These were made public. Nothing is on this list that hasn’t been filed publicly.

Just looking at it, the biggest one that my colleague talked about as being something to help rich people is the deduction for property taxes. It is capped at $10,000. There is a deduction for allowing people to deduct their property taxes, which is incredibly important for middle-class families around the country. Some people on this side of the Potomac are working for and by the American people on this, and provide much larger deductions and make those for State and local taxes.

By the way, their proposal would go primarily to upper income people, the people who have the most, which goes primarily to those who are making higher incomes. How is it paid? It is a $10,000 deduction for property tax. It is paid for by exactly the provision my colleague from Oregon just complained about because it says you have to be sure people had to pay an alternative minimum tax, and that alternative minimum tax is being used to pay for this middle-class tax cut we are talking about. Anyway, that is the biggest item by far.

The second biggest item is for the passthrough companies. These are the smaller businesses in America, and it is to try to have some more parity between the passthrough companies and the so-called C corporations. Again, that is something that is really important to small businesses in my home State of Ohio and around the country.

I encourage him to take a look. All of these have been filed. He can look at them now or he can go online, as any citizen can, and take a look at these things. I would say that at the end of the day, I know we had a difference of opinion on whether there should be tax cuts, but we think tax relief is appropriate right now. We think the middle-class families who have not seen an increase in their wages, not just for the last few years but the last couple of decades, need a little help. Their expenses have not gone down. They have gone up. Wages have been flat. That middle-class squeeze is addressed through these tax cuts—on average, about $2,375 for an Ohio median-income family. That is important.

People who are working paycheck to paycheck will find this to be incredibly important. Maybe they can put a little more money aside for retirement. Maybe it can help with their healthcare costs, which have gone up
dramatically as wages have been flat. Maybe they can help people be able to buy a car or to make a car payment if they already have a car. These are real tax cuts. They are going to help middle-class families. Again, I hope my colleague gets some of these changes, like the $10,000 deduction for property taxes paid for with the alternative minimum tax changes and help be able to make this legislation even more generous for folks in the middle class, as they say they are for.

With that, I would like to ask my colleague from South Carolina, who has been very involved in the child tax credit, ensuring we have a reduction of the brackets, if he would have a few comments on those.

Mr. SCOTT. Mr. President, I thank my good friend from Ohio. I say to Senator PORTMAN, may I see that list? I have been on the floor and, unfortunately, I have not been able to get a copy of the list. Obviously, you have been able to have your staff get it or go online and get a copy of this list. I think my good friend from Oregon said they needed their good friends who are lobbyists to supply them with a list.

I am not sure what the other side is missing. They had control of the House, the Senate, and the White House for a couple of years, and they increased spending without doing anything about revenues, other than trying to increase the debt. It is simply few and far between higher taxes and lower revenues. We have gotten it right that oftentimes lower taxes actually increase revenue, which has been proven from the twenties, sixties and eighties.

It is good news that my friends on the left are finally thinking about the national debt. We had a couple hundred years of life in America that produced about $10 trillion of national debt. Eight years after Democratic leadership, we have a national debt of $20 trillion. I find it a tad disingenuous that my friends on the left are going to start overcooking my grills just a little bit. I don’t mind having a vigorous debate on facts, but to sell fear— as I said a few minutes ago, fear being false evidence appearing real is just turning the heat up on my grills. I have to tell you, this leads to an unhealthy outcome for the American people because at the end of the day, the goal is not for us to be right and for them to be wrong. I don’t think their goal is for them to be right and for us to be wrong. It is kind of simple. The goal is, and always should be, for the people we represent to be better off because of our decisions in Washington. I can tell you, passing this tax reform bill will leave the typical American family with 60 percent—60 percent—of a tax cut.

I yield. Mr. PORTMAN. I thank my colleague. I yield back.

The PRESIDING OFFICER. The Senator from Michigan, Ms. STabenow. Mr. President, my friend from South Carolina said the proof is in the pudding. I would suggest the proof is in your paycheck. That is what I suggest.

We had a chance yesterday with my amendment to absolutely guarantee that my friends on the other side of the aisle believe what they are saying; that people are going to get a minimum of $4,000 in increased wages. I offered an amendment to simply say that in a couple years from now—2 years from now, 2020, we can make it 2021 or 2025, just pick a day when folks are going to get $4,000 in their wages, and we will put that in an amendment and pass it.

The truth is, there is no guarantee in this bill. If my friends on the other side of the aisle believe that there would be $4,000 more in wages in middle-class families’ pockets with this supply-side trickle-down economics tax cut, they would have voted for my amendment yesterday, which simply says that if there is a $4,000 increase in wages, the tax cut continues. If it doesn’t, if they don’t have $4,000 more in people’s pockets, then the tax giveaway stops because all it means is it is adding to the national debt.

I am all for anything that puts money in people’s pockets. I have sponsored and voted for tax cuts for small businesses, manufacturers, farmers, and families over the years in public service and here in the Senate, and I want to do that; close tax loopholes that are taking jobs overseas, not increase new ones, which, by the way, this bill does, a new $4 billion tax loophole, all companies that use tax loopholes. If folks really believe this, if they really believe the numbers, let’s lock it down. The proof is in your paycheck. What is that families in Michigan are saying. They want to know it is going to be 100 percent clear that they know it is a guarantee. You know what, they are very skeptical. Because the truth is, in the past, supply-side economics/trickle-down economics has not worked. You say that it is going to trickle down. People in Michigan are still waiting. They are still waiting to catch it. It is not trickling down. We do have examples. What are the facts?

With the tax cut in 1986, 10 years after that, the wages of working people were flat. They did not go up. That is a fact.

With President Bill Clinton in his effort to balance the budget in 1997, I was pleased. I had only been in the House for a couple of months and would tell the White House for a couple of years, and they did not do that. They had control of the House, the Senate, and the White House.

Then we went into 2001, 2002 with President George W. Bush, and there was a big tax cut in 2001, a supply-side/trickle-down tax cut. We were told that it was going to put money in people’s pockets. It didn’t. It created debt. In 2003, we had another supply-side tax cut that was going to put money in people’s pockets. It didn’t. It created a huge debt. We had wars that weren’t paid for. Then we went into the biggest recession that we had outside of the Great Depression with the financial crisis, and 8 million people lost their jobs. People lost the equity in their homes and their pension values. It was terrible.

President Obama came in in 2009 and had to try to begin to dig out of the hole. That is a fact. He began to dig out of that hole and put things back together for folks. It was a big hole, and a lot of families are still feeling that hole. I know that is true in Michigan.

So part of me may feel a little skeptical when I am hearing: Have I got a deal for you. Let’s try supply-side economics one more time, and this time it really is going to work. I don’t think that it is really is going to put money in your pockets.

There is no proof of that. There is no proof that this grows the economy to be able to cover the costs of the tax giveaways whether you look at supply-side economics, whether you look at new dynamic scoring—the new ways of scoring on things—to make it look better. That didn’t even show up. What I
would say is that the proof is in your paycheck, for the people who are watching.

There is a lot going back and forth, and it is very confusing because we hear one thing from one side, and we hear the exact opposite from the other. I understand this is, but I would just ask this:

Why weren't my friends willing to support my amendment that would say that if folks really get the $4,000 minimum amount being promised in increased wages, then this goes on, and if they don't, then the tax giveaway stops? Why didn't they support that?

Mr. WYDEN. Will the Senator yield?

Ms. STABENOW. Yes.

Mr. WYDEN. This pile of papers, for all practical purposes, is what we have been waiting for for days.

Ms. STABENOW. I hope you are a speed reader.

Mr. WYDEN. I am going to try to do some, but as far as I can tell, it sure looks like a lobbyist's wish list. There are going to be a lot of folks happy on K Street as they try to shop for the holidays because of the fees they have put together in working to get these changes into the Republican proposal.

I appreciate my colleague for giving me the opportunity to make sure that the public knows that, at this late hour, we are finally getting, after days, the opportunity to see the bill that is actually the bill.

Ms. STABENOW. Before turning this to my friend and colleague from Pennsylvania, I would like to state one thing that I understand is in there. There may be things that I am supportive of in there. We don't know. We are trying to figure it out.

One thing that I don't understand, with all of the talk about supporting working families, is that there is a provision in the bill that reads "prohibit cash or gift cards as employee achievement awards." So if somebody works very hard and is getting some kind of achievement award, does that mean they would not be allowed to get a bonus? I mean, I don't know why in the world we would be going after people's employee achievement awards. That doesn't sound like help for the middle class to me.

I now yield to my friend from Pennsylvania and thank him for his leadership.

The PRESIDING OFFICER (Mr. ALEXANDER). The Senator from Pennsylvania.

Mr. CASEY. Mr. President, I thank my colleague from Michigan for focusing on the issue of wages because that was the promise—right?—that if you give corporations a tax cut of more than $1.3 trillion—with a "t"—all of a sudden, you are going to see wages go up, and workers are going to do a lot better. We know that hasn't happened in recent history. We will see if the Republican argument is correct.

I want to put a few facts on the record. One hundred thousand companies if this tax bill had been in place. I mean, it is happening. They are taking their jobs and investments with them when they go overseas.

We have to fix that problem. It has been bipartisan. There has never been a partisan issue about that. That is where a lot of that $4,000 comes from. It comes from the fact that you are going to have more investment and businesses that are more competitive, and the workers are going to have a chance to see higher wages.

The Congressional Budget Office did a study in which they showed that 70 percent of the benefit of lowering the business rate goes to workers in terms of higher wages and higher benefits. Others say it is less than that. Others say it is more than that. Kevin Hassett, who is the Chairman of the Council of Economic Advisers, says that it is more than that. But that is $4,000 per family, and I hope it is a lot more than that, but it is on top of the middle-class tax cuts that are very direct.
In other words, that is not just saying that we are going to have a better economy, which I believe we will—and I strongly believe we can improve a broken tax code, as I think everybody does, to make it better for American workers and our middle class, and that we have the immediate tax relief, and that is what we have been talking about.

This is the doubling of the standard deduction, the doubling of the child tax credit, the lowering of the tax rates.

My friend from Pennsylvania just talked about the fact that 20 percent of the people between $50,000 and $75,000—

I am not sure where his data was coming from, but let’s take it as true—

have a small tax cut or a tax increase, and 17 percent between $75,000 and $100,000 are in that category. That means 80 percent of the people in that category have a big tax cut, in the one category, and 83 percent in the other category have a big tax cut. So, yes, a small tax cut—I don’t know how many have a small tax cut but and how many have a tax increase, but the vast majority of middle-class families, according to what my colleague from Pennsylvania just said, are going to get a big tax cut. I don’t know what is wrong with $2,375, on average, for a median-income family in Ohio.

By the way, economists say that it not only creates the opportunity for people to have a little better family budget through the direct tax cuts but also, of course, jobs.

Here is something interesting. Over the past couple of days, a letter came in from 137 economists—many of them nationally known—who support this legislation. This is what they say: Economic growth will accelerate if this legislation passes, leading to more jobs, higher wages, and a better standard of living for the American people. They say that there will be significantly more resources coming into the Federal budget because of this, because of the growth. They think that there will be $1 trillion more revenue coming in because of this, because of the growth. They also think that there will be additional jobs—the Tax Foundation says 1 million new jobs.

So, yes, I do believe it will be $4,000 per family, but on top of that, I believe that they are going to have a very direct benefit. I know they will because the statistics are there—my colleague from Pennsylvania just acknowledged it—that the vast majority of middle-class families are going to see a substantial tax cut.

Let me give you a number. For a family with two kids, making $50,000 a year, it is a 36 percent tax cut, on average. That matters. That helps people who are trying to make ends meet. It is real both in terms of the direct tax cuts and in terms of the economic growth and the higher wages that are going to come with that, and that is so important to all of the families we represent.

We have had a good discussion here. I see that my colleague from Connecticut is here and would like to speak, and others, I am sure, are going to want to speak.

I would ask my colleague from Oregon if he would be willing to have another unanimous consent that there be additional time for debate, only, with no amendments or motions in order and with the majority leader or his designee being recognized at the conclusion of that time.

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

Mr. PORTMAN. I yield the floor.

The PRESIDING OFFICER. The Senator from Connecticut.

Mr. MURPHY. Thank you very much, Mr. President.

I was paying attention to my social media feed, and I have seen that Senators on the Republican side are starting to announce which way they are voting. I saw that CORRER is a no and COLLINS is a yes. I don’t know what they are going to do now. Can you declare which way you are going to vote on a bill that you haven’t read, on a bill that your constituents haven’t seen?

Senator WYDEN just pilled up what looked to be about 6 inches’ worth of text in front of the Senate floor. There is no possible way that any Member of this body has read all of that. There is no way that in the time between when it is released to Senators and when we vote, anyone—even from the very close States—is going to be able to get back to their constituents and ask them what they think about this piece of legislation. I guess I would say I have never seen anything like it, but we just went through it earlier this year when the minimum wage was being looked at, a complete reform of one-sixth of the American economy, the healthcare system.

We are now being asked to vote on this evening on a multitrillion-dollar reform of the Tax Code, and not a single U.S. Senator will have read it. There is no way you will have read it. I just saw how big it is. Maybe Republicans have read it because they have seen it in these secret negotiations, but I can guarantee you that Senate Democrats will not have read this because we have been kept out of the loop on all of these negotiations designed to get to 50 votes—not to 60 votes, not to 70 votes, not a consensus product that can get Republican and Democratic support.

I got here in 2007 when Democrats took control of the House and the Senate. I remember during those 2 years all sorts of consternation from Republicans about how bills were being rushed through the process. In reaction to that, when Republicans took back control of the House, they instituted something called a 72-hour rule that said that we couldn’t vote on a piece of legislation unless Members have been able to see it for 72 hours. We need a 72-minute rule. I don’t think we are going to be able to look at this legislation for more than 72 minutes—a multitrillion-dollar reform of the U.S. Tax Code—before we are asked to vote.

Senator WYDEN and others have been waving around this list of lobbyist asked-for amendments that fill up an entire page. We are not going to get 72 minutes to look at this, never mind considering it with our constituents. It is dark out. The bill is going to be introduced on a Friday night. We are going to vote on it overnight. This is supposed to be the world’s greatest deliberative body. It is not supposed to work like this.

It is not a middle-class tax cut. I am not going to deny that there are some people in the middle class who are going to get their taxes lowered by this bill, but the middle-class tax cuts here are temporary and they are very selective in the way that very peculiarly seems to discriminate against Democratic States. So the States that are represented by Democrats don’t get as big a tax cut out of this because it has been crafted in a way that hurts States like mine that utilize the State and local tax deductions more than other States, those that happen to be represented by Republicans.

It is not a middle-class tax cut because the middle-class tax cuts are temporary. They go away after 7 years. The corporate tax cuts, the inheritance tax cuts for billionaires, are permanent. Those go through the full 10-year timeframe. But middle-class families don’t get permanence. After 7 years, 6 out of 10 middle-class families will have their taxes go up, not down.

That 7-year timeframe is an important one because by repealing the individual mandate, premiums go up by 10 percent. They are selective in a way that very peculiarly seems to discriminate against Democratic States. So the States that are represented by Democrats don’t get as big a tax cut out of this because it has been crafted in a way that hurts States like mine that utilize the State and local tax deductions more than other States, those that happen to be represented by Republicans.

What it is, is a big tax cut for the wealthy. I am stealing Senator BENNET’s chart, but he did it very well. We have 572,000 taxpayers—the richest 500,000 Americans—getting $94 billion in tax cuts, and then we have 90 million taxpayers who are making under $50,000 a year getting $14 billion in tax cuts.

I get it. If you are going to structure a tax cut that covers everybody, naturally people who make more are going to get more. But why does it make sense to borrow $34 billion to help the wealthiest 500,000 Americans? This
doesn’t even count the inheritance tax, which is going to help an even smaller percentage of those people even more.

Come on, this idea that you could deficit-finance a tax cut for the rich and it will just trickle down and magically result in economic growth—that is just not true. It is fiction. We have decades of economic experience to tell us that when we cut taxes for the rich, it does not magically result in enough economic growth to make up for the deficit, especially deficits that are going to lead to an added $2 trillion. You might as well claim that unicorns are real. You want to believe that Tupac is still alive, go for it—that is just as plausible as deficit-financed tax cuts for the rich resulting in enough economic growth to wipe out the deficit. It is fiction. It is a fantasy from the beginning.

I think we should take our time, read the bill, and have a real conversation about what we are about to do. If our goal is to provide a middle-class tax cut, we could do a much better job if we worked together. This is not a middle-class tax cut for everybody, and after 7 years, the majority of people in the middle class lose that tax cut.

There is no reason to borrow this much money for the richest 500,000 Americans. As a Senator with two young kids, I just don’t know why you would ask my kids and so many others to pay back the loans necessary to deliver this tax cut, especially when it isn’t just as plausible as deficit-financed tax cuts for the rich resulting in enough economic growth to wipe out the deficit. It is fiction. It is a fantasy from the beginning.

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States, our local governments have other sources, including income taxes, that no longer are going to be deductible.

That is going to affect my State’s ability to adequately fund public services. Whether it is education, whether it is transportation, whether it is healthcare, all of that is going to be negatively impacted and it is wrong.

I will give you a number, because I know the number in Maryland. Almost 50 percent of Maryland taxpayers deduct State and local taxes as an itemized deduction. They are going to be disadvantaged by the provision that is included in the Senate bill, and it is wrong. It also has unintended consequences, but it is going to have other consequences.

The PRESIDING OFFICER. The Senator’s time has expired.

Mr. CARDS, Mr. President, later I will come back and speak on some of these other issues, but I yield the floor.

The PRESIDING OFFICER. The Senator from Ohio.

Mr. PORTMAN. Mr. President, again, we have had some interesting dialogue back and forth. Earlier, my colleague from Oregon was talking about how this isn’t real middle-class tax relief, and then he lamented the fact that because of the arcane budget rules we have around here, after 10 years, all these great tax cuts expire. So you kind of have it both ways there, and I don’t think you can do that, which is that there aren’t real tax cuts but then, when they expire, it is the greatest shame because they are great tax cuts.

Here is the reality. There are significant tax cuts here for the middle class. This legislation doubles the standard deduction. Probably about two-thirds of the people I am talking to tonight already take the standard deduction. Now we will have about 95 percent of people who will take it, and every person who takes it will be able to, instead of getting $12,000 a family, get $24,000 a family, greatly expanding that. By the way, there is a zero tax bracket, meaning people who don’t have any income tax liability. That means a lot to people I represent who are living paycheck to paycheck, having a tough time making ends meet.

Also, as a result of this, and the other tax relief, about 3 million Americans who become tax payers are going to fall off the tax rolls. They are no longer going to have income tax liability. That is really meaningful to people. It also doubles the child tax credit. We talked a little bit about that today. It also increases the refundability a little bit. But importantly, it helps to ensure that families have the ability to help make ends meet when they are trying to raise kids—the most important thing you can do—and it lowers tax rates. That combination means that you have the kind of tax relief we are talking about.

So a family who makes $50,000 a year and has two kids gets a 36-percent tax cut. A family who makes $85,000 a year and has two kids gets a 20-percent tax cut. If you make $165,000 a year and have two kids, you get an 8-percent tax cut. So the benefit is focused more on those who are at the lower end of the economic scale, and I think that is appropriate.

So it is middle-class tax relief, but here is how it works. As to the share of Federal taxes paid in 2019, which is a year after this is implemented—it starts right away, the way, so mid-class families are going to get that relief right away—the current is in the red, and then our proposal is in the blue.

So if you make zero to $20,000, it is very unlikely that you have income tax liability, but some families do and the average is 0.1 percent. If you make $20,000 to $50,000 a year, your share of the Federal taxes goes down in our bill from 4.3 percent to 4.1 percent. If you make $50,000 to $100,000 a year, your share goes down from 16.9 percent to 16.7 percent. If you make $100,000 or above, your share goes down but up, from 78.7 percent to 78.9 percent. The top percent of wage earners in this country, the top 10 percent, pay approximately 70 percent of the income taxes right now. After our bill is passed and implemented, they will pay more than 70 percent. So it is a progressive tax cut in the sense that the benefit is focused more on middle-class families.

That is what the legislation does. Then, in addition to that, in responding to my colleagues who were talking whether there is any economic growth that comes from this, yes, there is a lot of economic growth because the current code is so bad. It is broken. My colleague from Oregon, who is the ranking member, agrees with that. He has a different solution as to how you get there, but he has been a leader on tax reform for that very reason. The ranking member, agrees with that. He has a different solution as to how you get there, but he has been a leader on tax reform for that very reason.

So this is going to help American companies a lot to be able to compete globally. It levels the playing field, which is very important. It has been bipartisan up to now—very bipartisan. We had a working group on this, among five bipartisan working groups that were established 2 years ago, that studied this issue. We came up with the solution that you have to get the rate below the average and you have to go through the kind of system we are talking about. It was totally bipartisan. Democrats and Republicans alike agreed to it because it just makes so much sense for the American worker. They are the ones getting the short end of the stick right now. They are the ones who are told: You go out there and compete, do it with one hand tied behind your back.

We need to give them the tools to be able to succeed, and that is what this legislation does. Yes, that is going to result in middle-class families getting benefits well beyond, in my view, the direct tax cuts we talked about earlier because it is going to enable them to be able to get the higher wages and the better jobs, and some economists have said it is $4,000 a family. Some have said it is more. Many Democrats think it is less. But there will be a benefit to these families. Remember, these companies we are talking about, the C&amp;P companies, employ more than half of the American private workforce. They are competing every day in these global marketplaces. We want them to win. We want our workers to win because we want them to be able to have those higher wages and better benefits.

We have spent 2 decades with relatively weak economic growth and,
I don’t imagine too many folks in coffee shops are up on what territorial taxation is, but it is an express lane for shipping jobs overseas. The fact is, a number of the proposals earlier from the other side have made it more attractive to do business overseas than in the United States.

Here are a couple of other points. My colleague said that 70 percent of the corporate tax reduction would go to the workers. That is not what Tom Barthold, the head of the Joint Committee on Taxation, said. He said specifically that he didn’t see anything resembling that kind of benefit going directly to workers. He speaks a special language known as economics, but he has made it clear he didn’t envision anything like that.

Two other points, and then I have a question for my colleague from Maryland.

We still do not have an analysis in two areas: No. 1, the cost of the bill, and No. 2, what is going to be the fate of middle-class families with respect to this new proposal? What is it going to mean for their taxes, and by what amounts?

If I can engage my colleague from Ohio on this—what can we be told at this point we are going to get, if anything, with respect to an analysis of this particular bill, the 500-plus pages? Will we be getting anything tonight before we vote?

Mr. PORTMAN. Mr. President, first of all, I was referring specifically to a CBO report earlier, and the Senator talked about the Joint Committee on Taxation. We may have different views on that. It wasn’t my belief I was expressing; it was me talking about the Congressional Budget Office’s report. My understanding is that tonight the entire bill will be online, No. 1.

The analysis is necessary to ensure that it fits into the reconciliation instructions.

Mr. WYDEN. What analysis would it be, for example, with respect to what the new bill—the bill we are actually going to vote on—means for middle-class families? We have millions of middle-class folks who are trying to sort out what this means for them.

We have just gotten a brand new bill. We would like to know what the new bill means with respect to the taxes paid by middle-class folks. Are they going to get ahead or, as we have seen in so many of the previous iterations, fall behind, particularly after 2027?

Will we get a new analysis on this new proposal that we will actually vote on with respect to what it means for middle-class families?

Mr. PORTMAN. Will the Senator yield?

Mr. WYDEN. Of course.

Mr. WYDEN. If I can engage my colleague from Ohio on this—what can we be told at this point we are going to get, if anything, with respect to an analysis of this particular bill, the 500-plus pages? Will we be getting anything tonight before we vote? —CONGRESSIONAL RECORD — SENATE
kids, you will get less of a percent—an 8-percent tax cut. That is all included in the legislation.

The big change, as we talked about earlier—and I know you have it in front of you—is that there is now this deduction for property taxes. It is a $10,000 cap on that deduction. As you know, if you look at the entire SALT, which are the State and local taxes and property taxes, about 50 percent of that benefit goes to families making over $200,000 a year. In this one, the property tax cut—this is much more targeted to the middle class.

I think it is fair to say to my colleague from Oregon that he will see more middle-class tax relief from that, and that will be something that will help middle-class families.

There is no change in terms of those tax cuts because those brackets—the reduction of the tax rates, doubling of the standard deduction, the doubling of the child credit—are all in the legislation.

Mr. WYDEN. What I would say to my colleague is, we don’t have any evidence of that. My colleague has certainly made laudatory claims about his bill, but we don’t have any evidence of them. In fact, the comment made by my colleague highlights my concern. What we have seen thus far for middle-class families after 2027 is that upward of half of them would pay more in taxes.

I think, rather than continue this, I will just ask my colleague to see if his side can produce an actual document—even a summary—of what this new bill will do. In fact, the comment made by my colleague is, we don’t have any evidence of that.

Mr. WYDEN. I will.

The PRESIDING OFFICER. Mr. WYDEN. I will. The PRESIDING OFFICER. The Senator from Maryland.

Mr. CARDIN. In going over the history as to how the income tax came about, it really was part of Federalism. They needed the consent of the States to change the Constitution. It was a partnership with our States, and that is why, from its inception, there has been respect for State and local tax as a deduction from the Federal income tax.

This is not a special interest; this is how we finance government. We finance government at the Federal level, the State level, and the local level. If this bill becomes law, we are violating it.

Mr. President, I will ask my colleague from Oregon to let me have a minute more for two or three more points on this. This is important; that is, there are effects that are going to take place as a result of the limitation of State and local taxes. We are going to see effects on property values. The Realtors and real estate industries have made that clear. It is going to affect the tax base of local government.

This bill is going to affect charitable giving. Why do I say that charitable giving is part of this? Because I was talking to the mayor of Baltimore, Catherine Pugh today. She has serious problems with law enforcement in Baltimore. She is depending upon private groups and their generosity to help deal with the problems of Baltimore. It is going to be much more difficult to give away to every get charitable contributions if this bill becomes law. So there will be impact on this that will affect our State and local governments, in addition to the elimination of the State and local tax deduction.

Here is one last point, if I might make it, in regard to middle-income taxpayers. I respect greatly my colleagues on the other side of the aisle and the charge that they show, but these charges don’t include the effect of the increase of the estate tax because that has not been made part of the calculations. It does not take into consideration 13 million people who no longer are going to have health insurance. That has not been taken into consideration in the charge they are showing.

It doesn’t take into consideration, in the charge, that the corporation profits they are going to make as a result of these tax cuts are going to most likely go to stock buyouts, rather than helping the workers. That is not reflected. So when you take a look at all of it—and we do have some analysis that has been done that is objective—middle-income taxpayers are at a disadvantage under this tax bill groups to be able to get charitable contributions if this bill becomes law. There will be impact on this that will affect our State and local governments, in addition to the elimination of the State and local tax deduction.

I thank my friend from Oregon for yielding me that time.

The PRESIDING OFFICER. The Senator from Oregon.

Mr. WYDEN. Mr. President, I thank my friend, and I know the Senator from West Virginia and the Senator from Connecticut have both been patient. Why don’t we yield time to the Senator from West Virginia now.

The PRESIDING OFFICER. The Senator from West Virginia.

Mr. MANCHIN. Mr. President, I thank my good friend, the Senator from Oregon.
that at least they tried. They went through the markups. They went through the hearings. They had an awful lot of input. I understand that.

Still, I don’t think any major legislation that affects every American should go through without a bipartisan buy-in, but without bipartisan support. If this is designed to be a political ploy—to basically have one side, and one side only, not wanting one Democratic vote—this will fail, and it is a shame for our country and for our democracy.

I have made it a point that what I thought was broken in this place—I have never, ever campaigned against a sitting colleague. I have never campaigned against a fellow Republican. I have never raised money to be spent to try to defeat a fellow Republican, my friends, because I don’t think I could face them if I am trying to defeat them and then ask them to work with me. I have never done that nor will I ever do that. That is not my purpose for being here.

All I have asked for is to have the chance to work with my colleagues. That is all I have wanted to do. I want to be a part of this. If there is any way possible, slow this down to allow me to be involved. I would appreciate that.

I yield the floor.

The PRESIDING OFFICER. The Senator from Virginia.

Mr. WYDEN. Mr. President, before we go to Senator Blumenthal.

The PRESIDING OFFICER. The Senator from Virginia.

Mr. TOOMEY. Mr. President, two points I would like to address, and then we have other Republican colleagues who would like to use our time as well.

One, I want to address the comments made in the other category of American businesses organized as what we call pass-throughs—these are partnerships and subchapter S corporations—because under the stipulations in their public letter, there couldn’t be any benefit at all to anyone whose income was in the top 1 percent. Well, there are a lot of pass-throughs that have some ownership on the part of people who are in that income category.

Another feature in their letter was that there could be no savings for the very substantial category of American businesses organized as what we call pass-throughs—these are partnerships and subchapter S corporations—because under the stipulations in their public letter, there couldn’t be any benefit at all to anyone whose income was in the top 1 percent. Well, there are a lot of pass-throughs that have some ownership on the part of people who are in that income category.

My point is, they were systemically taking their State and local deduction away or leaf removal or their member to take away their leaves. They provide lots of services. They have a nice community center. So the family has lower property taxes to pay for all of that.

How is that fair that a person of much more modest means should have to subsidize a person of great means through the Tax Code? I don’t think that is fair, but it is also unfair not just from one State to another but even within a State it is really not fair.

Let me illustrate my point with an example. Let’s imagine you have two families who have the same financial circumstances. They are neighbors, but they happen to live on either side of a municipal boundary. One family lives on the side of a town that provides a lot of services and has high property taxes, which pays for the services. Maybe they pick up the trash. Maybe the town picks up the leaves. They provide lots of services. They have a nice community center. So the family has higher property taxes to pay for all of that.

The other family on the other side, in a different township right next door, they don’t get their leaves picked up, they don’t get the trash hauled away, they don’t have a nice community center, but they have lower property taxes.

Now, a family who doesn’t have those services, they have to privately contract for those services. They have to go hire a company to take away their trash barrels. They have to hire a company to take away their leaves. They have to pay to join a gym or a recreational facility, and they don’t get to deduct any of those expenses. They don’t get to deduct the cost of paying someone to take their trash away or leaf removal or their membership at a local gym or facility like the other family.

So how is it fair that one person gets all of those services and gets to deduct the costs in the form of deducting the property taxes that pay for it, and the
other person, otherwise identically situated, does not get to deduct the cost? That just does not strike me as fair.

So all we are doing is saying: Let’s be fair about this. Let’s just be fair. Let’s disallow that deduction. For the most part, we do present a portion of that, but the principle is to reduce the ability to deduct these taxes because it is more fair, and then what we can do as a result is we can lower the income tax rates paid by everyone.

I think that is a step in the direction of fairness, and it is one of the things that I think is a good feature in the bill.

I see my colleague the Senator from Montana is here so I will yield the floor to him.

Mr. PRESIDING OFFICER (Mr. HELLER). The Senator from Montana.

Mr. DAINES. Thank you, Mr. President. I am thankful for my colleague from Pennsylvania, Senator Toomey, for his work for his lead-up in getting us to this point tonight for this most historic moment in the U.S. Senate.

I spent 28 years in the private sector before I came back to Washington, DC. In fact, the last election I won before I won here in Congress was my student body president in my high school.

I spent many years working in businesses, growing businesses, creating jobs, sending a lot of money to Washington, DC, in taxes. You are not going to find a single Republican here who says taxes are bad. What we are saying here is that we are an overtaxed Nation.

In fact, if I were to ask you where are the most affluent counties in the United States, where are they, you might guess, well, Beverly Hills, perhaps Silicon Valley, New York City. The answer is, the most affluent counties in America are suburbs of Washington, DC.

The American people have watched this city increase in power, increase in wealth, and I think this city has forgotten something; that the dollars that are sent here by hard-working Americans do not belong to the government, perhaps a beer, perhaps a soda. Well, the government is there too. You have paid an excise tax somewhere on those beverages. And so you are paying through the difference between the gross pay and what you really put in the bank, the dollars of your Federal, State, local taxes, Social Security, Medicare.

Your day is finished. Perhaps you want to go home and grab something to drink, whether it is a glass of wine, perhaps a beer, perhaps a soda. Well, the government is there too. You have paid an excise tax somewhere on those beverages. And so you are paying through the difference between the gross pay and what you really put in the bank, the dollars of your Federal, State, local taxes, Social Security, Medicare.

Your day is finished. Perhaps you want to go home and grab something to drink, whether it is a glass of wine, perhaps a beer, perhaps a soda. Well, the government is there too. You have paid an excise tax somewhere on those beverages. And so you are paying through the difference between the gross pay and what you really put in the bank, the dollars of your Federal, State, local taxes, Social Security, Medicare.

I was just talking with one of my young staffers here tonight. She told me, when she got that first paycheck— I guess her first job out of college—she called her dad, and she said: They have made a mistake. They have screwed up her pay stub, and she said: I am paying half through the difference between the gross pay and what you really put in the bank, the dollars of your Federal, State, local taxes, Social Security, Medicare.

Your day is finished. Perhaps you want to go home and grab something to drink, whether it is a glass of wine, perhaps a beer, perhaps a soda. Well, the government is there too. You have paid an excise tax somewhere on those beverages. And so you are paying through the difference between the gross pay and what you really put in the bank, the dollars of your Federal, State, local taxes, Social Security, Medicare.

So how do we start that? How about right here with this bill tonight. Let’s lower tax rates on middle income Americans. Let’s allow them to keep their hard-earned dollars. How about we increase the standard deduction? Let’s take it from $12,000 to $24,000. How about we eliminate the poverty tax? That is eliminating ObamaCare’s poverty tax. As Justice Roberts said, it is a tax. It has cost the American people so far over $5 billion, 42 percent of those making less than $25,000 a year, 82 percent make less than $50,000 a year. That is a poverty tax. We are going to repeal that as part of this bill that we are going to pass tonight.

Families need a break. How about we double the child tax credit? We are parents of four. How about that single mom with two children? I think she needs a break. Let’s give working moms, working dads with a couple of kids an extra couple thousand dollars to help make ends meet and reduce the tax burden on small businesses—not on corporations. We won’t do that in a minute. That is important to do, but these small businesses that are not corporations are paying as much as 40 percent of their income in Federal income taxes. We are going to take that down to less than 30 percent.

What does that do? It creates jobs. It puts pressure on wages, higher wages, because we need to direct these tax cuts to those who provide jobs.

By the way, those small businesses, 55 percent of the private sector jobs in this country are from smaller businesses. Two-thirds of the new jobs created since the recession of 2007, 2008 are from these smaller businesses. We are targeting significant tax relief for those small businesses. Who are these? These are farmers. These are ranchers. These are locally owned Montana businesses. It could be our community bank. It could be the corner store. It could be a construction company. I grew up in a construction company. My mom and dad were the CEO and the COO of the family business. In Montana, that is 68 percent of the jobs in our State. They are getting significant tax relief. Working with my colleagues, we have had some great conversations, and we have provided some additional tax relief for those smaller businesses. We have a historic, once-in-a-generation opportunity that only comes every 20 or 30 years. It goes back to 1986, 31 years ago—the same year my wife and I were married. We need to put more money back into the hands of American workers. Let’s cut their taxes. Let’s open the doors for the creation of more high-paying jobs. We start that by transferring the wealth of this city back to the families and businesses that sent us here in the first place and that keep our country moving forward.

We have been hearing a lot of things about this bill. The Washington Post even claimed four Pinocchios on some of these claims that somehow this plan will raise taxes for most working-class families. Look at the facts. That is not true.

Let me conclude by saying this, quoting a President:

It is a paradoxical truth that tax rates are too high today and tax revenues are too low and the surest way to raise revenues in the long term is to cut the rates now. The experience of a number of European countries and Japan have borne this out. The purpose of cutting taxes now is not to incur a budget deficit, but to achieve a more prosperous, expanding economy which can bring a budget surplus.

That was John F. Kennedy in December of 1962.

Let’s not miss this opportunity that we have now.

Mr. DAINES. Mr. President, I ask unanimous consent.
30 minutes, equally divided, for debate only, with no amendments or motions in order, and that the majority leader be recognized at the conclusion of that time.

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

The Senator from Oregon.

Mr. WYDEN. Mr. President, to start our portion of the 30 minutes, Senator BLUMENTHAL has been very patient, so I wish to start with the Senator from Connecticut.

The PRESIDING OFFICER. The Senator from Connecticut.

Mr. BLUMENTHAL. Mr. President, I am honored to be here tonight. Even in moments of sadness and anger—and I feel both here—I am honored to be a Member of this body. I am particularly honored to be a Member of this body. I am particularly honored to be a Member of this body. I am particularly honored to be a Member of this body. I am particularly honored to be a Member of this body. I am particularly honored to be a Member of this body. I am particularly honored to be a Member of this body. I am particularly honored to be a Member of this body. I am particularly honored to be a Member of this body. I am particularly honored to be a Member of this body. I am particularly honored to be a Member of this body. I am particularly honored to be a Member of this body. I am particularly honored to be a Member of this body. I am particularly honored to be a Member of this body. I am particularly honored to be a Member of this body. I am particularly honored to be a Member of this body. I am particularly honored to be a Member of this body. I am particularly honored to be a Member of this body. I am particularly honored to be a Member of this body. I am particularly honored to be a Member of this body. I am particularly honored to be a Member of this body. I am particularly honored to be a Member of this body. I am particularly honored to be a Member of this body. I am particularly honored to be a Member of this body. I am particularly honored to be a Member of this body. I am particularly honored to be a Member of this body. I am particularly honored to be a Member of this body. I am particularly honored to be a Member of this body. I am particularly honored to be a Member of this body. I am particularly honored to be a Member of this body. I am particularly honored to be a Member of this body. I am particularly honored to be a Member of this body. I am particularly honored to be a Member of this body. I am particularly honored to be a Member of this body. I am particularly honored to be a Member of this body. I am particularly honored to be a Member of this body. I am particularly honored to be a Member of this body. I am particularly honored to be a Member of this body. I am particularly honored to be a Member of this body. I am particularly honored to be a Member of this body. I am particularly honored to be a Member of this body. I am particularly honored to be a Member of this body. I am particularly honored to be a Member of this body. I am particularly honored to be a Member of this body. I am particularly honored to be a Member of this body. I am particularly honored to be a Member of this body. I am particularly honored to be a Member of this body. I am particularly honored to be a Member of this body. I am particularly honored to be a Member of this body. I am particularly honored to be a Member of this body. I am particularly honored to be a Member of this body. I am particularly honored to be a Member of this body. I am particularly honored to be a Member of this body. I am particularly honored to be a Member of this body. I am particularly honored to be a Member of this body. I am particularly honored to be a Member of this body. I am particularly honored to be a Member of this body. I am particularly honored to be a Member of this body. I am particularly honored to be a Member of this body. I am particularly honored to be a Member of this body. I am particularly honored to be a Member of this body. I am particularly honored to be a Member of this body. I am particularly honored to be a Member of this body. I am particularly honored to be a Member of this body. I am particularly honored to be a Member of this body. I am particularly honored to be a Member of this body. I am particularly honored to be a Member of this body. I am particularly honored to be a Member of this body. I am particularly honored to be a Member of this body. I am particularly honored to be a Member of this body. I am particularly honored to be a Member of this body. I am particularly honored to be a Member of this body. I am particularly honored to be a Member of this body. I am particularly honored to be a Member of this body. I am particularly honored to be a Member of this body. I am particularly honored to be a Member of this body. I am particularly honored to be a Member of this body. I am particularly honored to be a Member of this body. I am particularly honored to be a Member of this body. I am particularly honored to be a Member of this body. I am particularly honored to be a Member of this body. I am particularly honored to be a Member of this body. I am particularly honored to be a Member of this body. I am particularly honored to be a Member of this body. I am particularly honored to be a Member of this body.
We have $4 trillion going to the richest Americans. Four trillion! We keep hearing about a $1.5 trillion deficit. Oh, yes, but there is lot more here, so let's just see what it is.

There is the reduction in the corporate tax rate, which we all know goes to the rich American who holds all the stocks. That is $1.3 trillion.

We have repeal of the alternative minimum tax. That is $700 billion.

We have the passthrough for high-end LLCs—not for low-end LLCs but for high-end LLCs—$392 billion.

We have three provisions for multinationals, a deduction for foreign dividends, a deduction for foreign intangibles, and the transfers for intellectual properties, totaling $313 billion.

We have an elimination of the estate tax to benefit the richest 0.2 percent. Out of a total of 1,000 people in America, the richest two—that is the equivalent. That 0.2 percent would get $53 billion or so.

Then we have a change in the tax brackets, which added another over $1 trillion there. And probably most of that—we have been trying to get a breakout. We can't even get a breakout of where this will go because it is being rushed.

If we take those provisions and add them up, it is $4 trillion. I am just taking the big ones off the list of all of the details.

Little public exposure. Why is this being done in a few hours here, just after the Thanksgiving holiday, before Christmas? Because my Republican colleagues are sticking it to the American people, and they don't want you to know.

So, again, an example—out of this list of 30 amendments that are being stuffed in at the last second that no one has had the ability to analyze—30 amendments—let's have the senior Senator from Texas come to the floor and do his Wall Street welfare amendment that he is sticking in here for the most powerful publicly traded partnerships. That is just one of 30.

So I am calling for transparency. I am calling this process for what it is, and that is using the argument that you are doing something for the middle class in order to cover up these trillions of dollars going to the very rich-est. Let's see how misplaced this is.

In the next year, 9 million taxpayers will benefit from the cut in the tax brackets—because the taxes are so much lower elsewhere—to stay in the United States, to create American jobs, and to pay more American taxes.

Those are all good things my colleagues have discussed. Let me discuss some other ways perhaps that this bill benefits working families and middle-class families.

I am from an energy State. Louisiana produces so much oil and gas. The thing about energy jobs is it creates jobs for good families. They may not have a college education, but they are good people. They care about their children. In these jobs, they can earn over $100,000 a year in certain aspects of it, and they employ Americans in a way that Americans have kind of forgotten that it can be that way.

It is meaningful to me. We were in Illinois when I was born. My family moved to Louisiana because someone called my father and said: You know, Jim, you have to go to Louisiana, you can sell to the people working at Esso, and you can make a good living.

So even though my father didn't work in the energy industry, he was one of those who benefited and made a living, which allowed me to go to medical school. I was the first generation in my family to go to college and go to medical school, and now I am a U.S. Senator. What an incredible privilege, all created by energy jobs.

One thing this bill does is it opens up a little bit more for energy development—2,000 acres. One of my colleagues said smaller than the airport in Fargo, ND. I have never been there, but 2,000 acres is not a whole lot of land. But on those 2,000 acres, there is a lot of oil beneath.

Why is that important? We as a country can make a decision to be energy secure or not. If we are going to be energy secure, it means we are going to put in place the standards and the tools to rule out renewables, but for the moment we are going to continue as a country to consume natural gas and oil. We can buy it from countries such as in the Middle East where environmental standards are not as strict as ours, but when we do that, not only are we sending our jobs and revenue overseas, but we are also, in effect, endorsing their lower environmental standards, and that overall pollutes the environment.

On the other hand, if we buy from ourselves—using American workers, creating American jobs, using American environmental standards—not only do we get the benefits to the family and the benefits to the environment, but we have the national security benefit of being able to be energy secure.

Now, this is powerful. I first became aware of it, I think, in middle or maybe elementary school. I went to St. Luke's Episcopal Church. There was a guy there named Thor. What a great name. Thor. Thor told me his father was a pipelayer. He was at that moment in Alaska working on the Alaska Pipeline. That was 40 years ago, so maybe my memory is a little fuzzy on everything but Thor's name. The point is, a fellow from Louisiana was going to Alaska, making great money, being able to provide for his family back home. That is a good thing.

As we develop our energy resources on the North Slope of Alaska, using American environmental standards, creating American jobs, we are changing the life of families like my family and for perhaps the family of the man I remember going to middle school with long ago.

I mentioned Thor's father was a pipelayer. Now, it is not just on those 2,000 acres. There will be a way of transporting that oil that is produced elsewhere. In South Louisiana, we make boats—boats that actually work off rigs and can create jobs both in the boatyard and in the maritime industry. Thor's father was a pipelayer. You pipe out your oil, and you create jobs in that way. That comes to mind because when I was first elected to the Senate, I was going to a committee hearing, and some union fellows from Ohio came up to me to ask that I endorse the construction of the Keystone XL Pipeline. Of course, I have always been in favor of it so they had my vote, but they made the point: We are union laborers. We work on the job. When we say there is $40,000 created in the building industry, that is only for 6 weeks, but then we go to another job for 6 more weeks and another job for 6 more weeks.
I was struck that these working families benefit not from the actual production of America's natural resources but from the transportation of America's natural resources. So the economic benefit to working and middle-income families doesn't just stop with those of us doing the building, but it continues downstream and, as I mentioned earlier, even extends to a family like mine.

Now, let me mention another aspect of this bill that brings benefits to our working families and to our middle-class families. One thing I was helpful with was the restoration of the historic tax credit. The historic tax credit is a Federal tax credit first made permanent by President Ronald Reagan that allows somebody to go to an older building in a community and to restore it, returning it to commerce. So instead of a portion of our architectural heritage being destroyed, it is refurbished and is there for future generations. But then the kind of aesthetics of seeing an older building become beautiful once more, it creates jobs.

Now, let's go back to this legislation, creating better jobs for working and middle-class families. First, it affects everybody. More than 40 percent of the projects under the historic tax credit program in the last 15 years have been in towns of less than 25,000 people. In my State, since 2002, the historic tax credit has contributed more than $131 billion in private investment, rehabbing 42,000 buildings, creating more than 2.4 million trade jobs, returning a net positive to the U.S. Treasury.

Since fiscal year 2002, in Louisiana alone, it has, again, fostered more than $2.5 billion in private investment, creating more than 38,000 jobs. These are jobs—construction jobs, rehabilitation jobs—that allow a family to live with a good living wage. That is part of this legislation.

I should mention one thing in particular very topical on the historic tax credit. The city of New Orleans is currently being refurbished. It was built in the 1960s and is being transformed into a world-class hotel condominium complex. It brings the city of New Orleans $400 million in infrastructure spending, 1,600 jobs in construction credits, as well as more than 300 permanent, full-time jobs. Instead of a crumbling eyesore, you have a jewel, but more than a jewel, you have 1,600 jobs created and 450 permanent jobs.

Let me mention the last thing that benefits working and middle-class families. My friends on the other side of the aisle talked about supposed negative effects on Social Security and Medicare. I am a doctor. I have been working in the public hospital system of Louisiana for 25 years. I understand the importance of safety net programs, if you will, like Medicare that allow our senior citizens to have the health care that they need. The dirty little secret is that, according to the people who run Medicare and Social Security, those trust funds are going bankrupt—bankrupt. Under the Obama administration, they tried to address it by raising tax, so they put a higher income tax on people, and the trust funds are still going bankrupt. Under ObamaCare, there were different things to try to save money within the system, delivery system reforms, and some are, frankly, good ideas—although I opposed ObamaCare, in general, some of these were good ideas, and I continue to endorse them—and the trust funds are still going bankrupt. So it raised taxes, we are trying to save some of the trust funds are still going bankrupt. What can we do to try and rescue these programs that are so significant, so important to senior citizens, to all of us in this country—Social Security and Medicare in particular.

What about economic growth? I did an analysis once with another man who shows that if we just return to the economic growth that is common in our country—about 3.5 percent GDP growth per year—we will fully fund our trust funds for Medicare and Social Security.

Keep in mind, although we are cutting rates for corporations, the rates for funding Medicare and Social Security are staying where they are. So if our economy is doing better year over year, there will be more money going into these trust funds, not because the rates are higher—the rates remain the same—but because there is more money to apply the rates to.

Is it reasonable to have that kind of growth? Absolutely. From 1946 to the beginning of President Obama’s administration, through 10.5 recessions—including one-half of the great recession—we averaged over 3 percent growth as a country. Now, under President Obama’s Presidency, it was about 2 percent growth, and 2 percent versus 3.5 is all the difference in the world because it compounds. It goes like this if it is 2 percent, it goes like this if it is 3.5 percent, and at the end of 10, 15, or 20 years, those differences are remarkable.

I will say, under President Trump, for the last two quarters we have had over 3 percent GDP growth. Republicans take over, and the economy begins to do better. In the next quarter, it is estimated that it will be over 3 percent. With this legislation, increasing the amount of money families have in their pockets, building out our environment in Alaska, creating jobs for Americans across the way, using things like the historic tax credit, returning money to the Treasury, but also creating American jobs will create that prosperity, that economic growth, so that instead of the 2-percent growth that we have had for the last 8 years, we have the 3.5-percent growth that we historically have had. That is a promise of this legislation that will restore funding for Social Security and Medicare. That is the answer that has eluded the other side.

Mr. President, before I yield back, I ask unanimous consent that there now be 30 minutes, equally divided, for debate, with no amendments or motions in order, and with the majority leader being recognized at the conclusion of that time.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered. Mr. CASSIDY. I yield back.

The PRESIDING OFFICER. The Senator from Oregon.

Mr. WYDEN. Mr. President, for this time, I believe we will have Senator DURBIN lead off for us and then Senator NELSON and Senator BENNET. Each is going to try to take around 5 minutes. Senator DURBIN.

The PRESIDING OFFICER. Senator DURBIN.

Mr. DURBIN. Mr. President, what happens when you decide to write a tax bill that changes the economy of the United States of America, you don’t have adequate hearings to gauge what is going to happen, you don’t bring in the experts to tell you what the impact will be on individual families and businesses, and you stick around until 5 o’clock on a Friday night and you hand out the work product for all of the Members of the Senate to take a look at before they vote on changes in the Tax Code that will affect the people they represent?

This is what happens: 479 pages were handed to us. They tell us that some of this has been around for a while, and some of it is new. They don’t tell us which part is new and which part is old. Lucky for us, on K Street—and there is nothing wrong with lobbyists—where the Federal lobbyists live, they are following this really closely, and they have given us basically a cheat sheet, a scorecard, so we can figure out, at least generally speaking, how many changes have been made in the 479 pages since the last time we saw this proposed bill.

Any Member of the Senate to stand here and take an oath that they have read this and understand what in the world it means to businesses, families, and individuals. If they want to take that oath, and maybe some will, then I refer them, ladies and gentlemen of the American people, to Exhibit A, page 257 out of the 479.

Why do I pick this page? Because they didn’t have time to type it. They wrote it out in longhand. We are not even teaching cursive in a lot of schools anymore, but somehow that the staff knew it enough to try. The problem is, they wrote it in cursive along the margin here. It is about subchapter...
S corporations and how much tax they paid and what they don’t pay. I defy anybody to read it because the problem was, when they copied it, they chopped off lines so there aren’t full sentences here. They are like little phrases and words.

This is your Senate at work. This is what happens when you push through a bill late at night, desperate to pass it, without really stopping to ask yourself: Will this make us a stronger nation? Will it help legitimate businesses that want to expand and create jobs? Is this good for American families?

The Joint Committee on Taxation told us yesterday—that is our scorekeeper; they are the ones who we hired to be our scorekeeper; they are non-partisan—what they learned about this bill before we got the new version, with the new amendments. Our friends on K Street were happy to tell us what the listings were. They told us that this starting bill will add $1 trillion to the national debt—so our kids and grandkids can pay it off—to pay for the tax cuts. They also told us that the predicted economic growth that is supposed to come out of these pages of 4, 5 percent a year is 0.8 percent. Is it not? Am I right?

Mr. WYDEN. Correct.

Mr. DURBIN. They also told us that the biggest beneficiaries under this Tax Code—this Joint Committee on Taxation—happen to be the wealthiest people in America—surprise—and the biggest corporations. They told us that, at least in the next 10 years—maybe before—regular middle-income families are going to pay higher taxes because of this. They let us know, and we knew already, what is going to happen to programs like Social Security, Medicare, Medicaid. You see, what we run up the national debt and you want to try to balance the books—our Republican friends have been very open about this. They want to cut the benefits under Social Security, Medicare, and Medicaid to try to balance the books.

America, are you ready for this? Are you ready for senior citizens who are counting on that Social Security check to get a cut in benefits to pay for a tax cut, a tax giveaway to the wealthiest people in America? Are you ready to see Medicare cut—that is, reimbursement for seniors for medical expenses—in order to make sure that the biggest corporations in America get a tax break? Are you ready to see Medicaid, which has as its major expense taking care of seniors in nursing homes—benefits cut in order to give an incentive for businesses to move jobs overseas?

That is what this is all about.

Here is the reality. As a percentage of gross domestic product, American corporations have never been more profitable—never. As a percentage of gross domestic product, American corporations have never paid less in Federal taxes.

What is the Republican response to that? Cut corporate taxes. Why?

Shouldn’t we be focused on doing what is necessary so that middle-income families have a fighting chance to pay their bills and put some money away for their kids and their future? Shouldn’t we be working on helping small and medium-sized corporations instead of the wealthy?

That is what I think we should focus on. I don’t know for sure that this bill doesn’t do that. In fact, nobody does. Nobody knows what is in here—479 pages. If they tell you they do, then ask them to explain page 257. Ask them to try to read this. I have tried. This is going to change the tax law of America in ways that we can’t even explain. We have to get this done because the Senate has done little or nothing this year, and so they are desperate to get something done before the end of the year.

Sadly, it is a tax bill that we have just been handed 1 hour and 50 minutes ago. I yield the floor.

Mr. WYDEN. Mr. President, I want to thank my colleague from Illinois for a very insightful analysis, and his skills as a handwriting expert may be necessary as the Senate Finance Committee tries to divine what that particular page actually means. I thank my colleague to unpack a byzantine area of subchapter S tax law.

Mr. DURBIN. If the Senator from Oregon would yield for just a moment, I would like to ask consent that this infamous page 257 be made a part of the Record. I have real concern that this is not the Bill of Rights that you are getting. By saying something is something, that doesn’t make it so. It is what the facts are.

I yield the floor.

Mr. WYDEN. Mr. President, my colleague has a parliamentary inquiry, and then we will go to Senator BENNET.

Mr. DURBIN. Mr. President, parliamentary inquiry.

The PRESIDING OFFICER. The Democratic whip.

Mr. WYDEN. Mr. President, I submitted page 257 of the amendment to be placed in the RECORD and you gave unanimous consent for that to happen. I have now been instructed that the personnel at the Senate cannot read this page the way it is currently written. Could I have this entered in the RECORD just as written with the handwritten notations on the side? Could I enter it as a graphic or artwork or something like that?

I ask the Presiding Officer, does that mean the amendment has this page in it, that the amendment cannot be filed?

The PRESIDING OFFICER. The amendment can be filed with handwritten changes, but the staff will have to change those later or correct them.

Mr. DURBIN. I would like to ask a further parliamentary inquiry. Why didn’t they accept page 257 after I received consent to put it in the RECORD?

The PRESIDING OFFICER. The amendment has not been filed yet. Consent was accidentally—

Mr. DURBIN. Parliamentary inquiry.

This page, which is part of the tax bill,
Mr. WYDEN. Mr. President, just before we wrap up, I have heard Republicans talk constantly about how this process is being conducted in a regular order. I have never seen in my time in public service, when talking about $10 trillion worth of tax policy changes and the biggest tax bill in three decades, something along the lines of the floor that we would talk about, with handwritten changes in the margins about something that conceivably will affect vast sums of taxpayer money.

I yield the floor.

The PRESIDING OFFICER. Who yields time?

The Senator from Florida.

Mr. RUBIO. Mr. President, as most of my colleagues know by now, we have been working for I believe about a year and a half—certainly through this tax reform process—to address the issue of the child tax credit in an effort to increase it. I am grateful that in this process, we have been able to increase the child tax credit to $2,000. That will help a lot of families.

I have been asked by some people: Why isn't that enough? Why aren't you happy with that? The answer is that the people we most want to help are not going to be able to fully use it, and that's why. Poor people are the ones that are making $30,000 or $40,000 or $50,000—you are a construction worker; you are a teacher; you are a firefighter; you are a welder; you are a bus driver—the backbone of America's workers—their main tax liability is their payroll tax. Unless you allow the tax credit to apply fully not just to their income tax—many of whom don't have a high income tax liability but a payroll tax—they are not going to enjoy the full benefit. The result is kind of absurd if we somehow within this process did the result is, if you make $500,000 a year and you have enough kids, you can use the whole credit, but if you don't make that much money—if you make, say, $25,000 a year—you won't get nearly as much of the credit even though you have paid the taxes. It kind of doesn't make any sense, right?

We are trying to help people with the cost of raising children by allowing them to keep more of their own money. It's the people who make less who need it the most, and when you only do half of it, which is the $2,000 increase, you only get it half right. So it is good, and there are people who are going to be helped by that, but we could have done a lot more.

The bill we have today, which is before us here and will be before us in a few minutes when there is a substitute provided, cuts the corporate tax rate from 35 percent to 20 percent. A reduction in the corporate tax rate is something that we want to look up to as an example our parents and grandparents set for us and whether we are willing to make the kinds of investments in the next generation that they were willing to make in us.

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we are trying to help. I know that sounds counter-cyclical, but it does because when these corporations are able to save money in taxes, many of them will use some of that money to create new jobs and hire more people. That money will be important because we need to not only keep the jobs that we have, but perhaps even flow toward workers in the form of higher wages over time.

These are positive things, so I am not against a reduction of the corporate tax rate. In fact, I ran for President, for the Senate, and for reelection to the Senate on the promise of reducing the corporate tax rate to 25 percent. So 20 percent goes well beyond that. However, in order to be able to pass something that pays for it, because you have to—and people don’t know this back home, so I will just kind of explain it—this bill allows us roughly about $1.5 trillion over the next 10 years of spending over revenue. Now, we think that the growth in the economy is going to more than offset that, but for the rules of the Senate, it has to be within the parameters.

In order for us to offer an amendment that provides an increase in the child tax credit, for a reason that we want to do—it would be $86.9 billion somewhere in order to be able to do it. Initially, instead of cutting the corporate tax rate from 35 to 20, we proposed cutting it from 35 to 22. It is still a massive cut. It is still well below the international average of 23.

It still puts us in third place among the seven largest economies in the world. But that was met with significant resistance.

We have always said that we would be open to an additional way or a different way of doing it, so today when the substitute amendment is offered, we are going to offer an amendment, Senator LEE and I. Instead of 22 percent, it is going to propose that we reduce the corporate tax rate from 35 to 20.94 percent. Basically, instead of a 15 percent reduction, it will be a 14.06 percent reduction. OK? The difference between what is in the bill and what we are proposing is less than 1 percentage point of reduction in the corporate tax rate—0.94 percent. With less than that 1 percent difference, we can make a huge difference in the lives of millions of Americans making between $20,000 and $50,000, as an example. That would be $86.9 billion, which we could use $86.9 billion of it to allow working families with children to keep more of their own money to pay for the costs of raising their children. I will remind you of who these people are. These are teachers, firefighters, welders, construction workers, truck drivers—the working class.

We didn’t even have to do that, to be frank. From last night to today, the leadership and those working on this—and they have worked very hard—voted an additional approximately $260 billion to cut even more taxes for businesses. I have no problem with that. I want America to be super competitive.

But somehow, through some political jiujitsu or some sort of magical formula, $260 billion appeared to provide even further cuts, and that is fine. I just wish that some of that jiujitsu and political magic had been employed on the Hill to reduce this nation’s military burden. The most American-made, making between $20,000, $50,000, and $60,000 a year because they need our help.

What has been the opposition to this? Frankly, some of it is untrue. Some of it is not even the position I have heard is that the people who would benefit from this tax cut don’t pay taxes. They don’t pay income tax or a lot of income tax, but they pay tax. If at 5 o’clock today you left your job as a construction worker and you received your paycheck, they took money out of your paycheck. When they take $200 out of your paycheck, it doesn’t matter if it says FICA or if it says income tax withholding; it is $200. It is the same money, and you have to pay that $200 less. That is a tax. Anytime the government takes your money, it is a tax.

I have had people tell me, including people in the administration, that they don’t pay taxes. I have had people say that they don’t generate economic growth, which is, in my mind, No. 1, not true, and No. 2, the wrong way to think about it. You see, our economy should be working for our people, not the other way around. Some of their jobs are going to make us have in the new economy. You cannot have one without the other.

I also disagree that they don’t generate growth because when you make $50,000, you spend every penny that you make. I know these people. I live in West Miami, FL, and West Miami is a small, little city. It is three-quarters of a square mile. I have lived there since 1985. The average income is $38,000 a year. If you make $38,000 a year, you spend every penny, especially if you are raising children.

I do not believe how much people tell you to put some money aside and save it for the future; you cannot because everything costs more and there are unexpected costs. You bought brandnew shoes in September for school, and by November they either have a hole or they no longer fit. You bought them a backpack in August for back-to-school, and by November or December, it has a hole in it or something broken and you have to pay for it. Costs constantly come up that you never anticipate.

Where do they spend this money? In our economy. So, yes, maybe they don’t generate as much growth as a Fortune 500 company, but they have to spend every penny of it, so they do generate growth.

I have even heard terms used like “it is a black hole” and “it is welfare.” It is not welfare; it is their money. I have heard one newspaper editorial say that it is anti-work. How could a tax credit that you can’t get unless you are working be anti-work? I will tell you what is anti-work: a package of benefits from the government that you get—which is worth more than this tax credit—that you are eligible for if you don’t work.

I want you to tell the worker at a Head Start facility—think about this. You are a teacher at a Head Start program, and you make too much money for your children to go to Head Start, but you don’t make enough to be able to afford child care for your own kids. That is happening all over this country, and somehow there are black holes there that we can’t even find enough to help them just a little bit more.

The second argument we have heard is that we can’t cut the corporate tax rate because it is going to hurt growth. OK. You are telling me that if we have a corporate tax rate that goes from 35 percent to 20.94 percent, that is going to hurt growth. Twenty percent is the most phenomenal thing we have ever done for growth, but if you add 0.94 percent to that, it is a catastrophe. We are going to lose thousands of jobs. Come on—especially when you add that to the fact that they are going to be able to immediately expense their investments, when you add that to the fact that they are going to re-patriate money abroad to the United States with the lower tax rates. When you add all the things that we have done, argue all you want, but don’t please don’t tell me that 0.94 percent is going to somehow lead to less economic growth because it is just not well.

We are going to have a vote later today. I don’t know how many votes they are going to make us have in order to pass this; there are all kinds of procedural things that happen here. But I can tell you that this is about a lot more than just tax reform. We have a big problem that perhaps this tax reform debate has revealed; that is, the only way forward in this country is one that is pro-worker and pro-growth, and you cannot have one without the other. I tell you today, there are millions and millions of people who have been hurt by the new economy. The new economy is great. There is nothing we can do to turn it back. The future is here, and you cannot go back to the past.

We should embrace the new economy. It has created extraordinary wealth for people who are innovators or people who have the right careers or right jobs. I don’t begrudge it. I am glad that it is happening. But when you have a new economy, just as when we had the Industrial Revolution, there are some people who are going to be hurt and we have to help them in that transition because if we don’t help them, we are going to break the social compact that holds our Nation together. I am not claiming that the child tax credit will solve that problem by itself. I am telling you that if we aren’t even willing to do another $86 billion of allowing people to keep their own money—not just to pay for Head Start programs as this—we are not willing to do anything for working people in this country, and that is a big problem. That is
Mr. SANDERS. Mr. President, as I think about what is going on here today, I think this is in many ways a historic day. Many of my colleagues will look back on—December 1, 2017—and they will conclude that today is the day of one of the great robberies, of criminal activities, if you like, in the modern history of this country. The Federal Reserve is going to pass legislation tonight. As we speak, there are lobbyists all over Capitol Hill, writing down in handwriting, amendments to this bill to give hundreds of millions, if not billions, of dollars in tax breaks to large corporations. As we speak, they are probably still writing those amendments.

Meanwhile, this Senate, this Republican-led Senate has been unable to reauthorize the CHIP program, the health insurance program for low-income children. They didn’t have enough time to do that. We have been unable to reauthorize the Community Health Center Program, providing 27 million people with health insurance. We don’t have the time to do that. But tonight we are presumably going to pass legislation when, at a time of massive income and wealth inequality, 62 percent of the tax benefits go to the top 1 percent, and 10 years from now, millions and millions of middle-class Americans will be paying more in taxes.

I have not the slightest doubt, as I have said before, that after the Republicans pass this huge tax giveaway to the wealthy and large corporations, they will be back on the floor of the Senate, and when they come back, they will say: Oh, my goodness, the deficit is too high. We have to cut Social Security, Medicare, Medicaid, education, and nutritional programs. In other words, in order to give tax breaks to billionaires and to lawsuit profitable corporations, they are going to cut programs for the elderly, the children, the working families of this country, and the poor. This legislation will go down in history as one of the worst, most unfair pieces of legislation ever passed.

I say to my Republican colleagues, as you saw on November 7, the American people are catching on. They are demanding a government that does not simply work for corporate lobbyists but works for the middle class. They are demanding a tax system that says to the wealthy and large corporations: You are going to start paying your fair share of taxes; you are not going to cut Social Security; we are not going to expand Social Security. We are not going to cut Medicare; we are going to move to a “Medicare for all” healthcare system. The American people are catching on.

While Republicans may get away with this act of looting tonight, history is not on their side. The day will come, and it will come sooner rather than later, when we are going to have a government here that represents all of us, not just the Koch brothers, not just the billionaire class, not just wealthy campaign contributors. I yield.

The PRESIDING OFFICER. The Senator from Pennsylvania.

Mr. TOOMEY. Mr. President, I want to talk about one of the truly pro-growth features in this tax reform that is going to encourage investment in the United States, new business creation, startup, expansion, and hiring that they have to be associated with. That means new jobs, more demand for workers, and higher wages.

What am I referring to? I am referring to one of the things we do on the business side of the Tax Code. The way I think about it, there are several big features that are going to drive economic growth on the business side of the Tax Code. One is certainly lowering the top rate from the 35 percent that makes us uncompetitive in the global economy to 20 percent, which puts us pretty close to dead even among our competitors. That is one. That is an important part.

The second one that I think is even more powerful is simply allowing businesses to recognize expenses when they actually occur. Allow businesses, when they buy equipment and put that equipment to work in a factory or when buying earth-moving equipment or new machinery, to recognize that cost when it occurs. By allowing them to recognize that cost when it occurs, they can afford to purchase more of that equipment.

Why is that important? That is important because that is the source of enhanced worker productivity. Workers are more productive when they have machinery and equipment to work with. This is why capital drives productivity growth. It is the investment in that new equipment that creates demand for workers but also makes the worker more productive. The example I like to use that I think illustrates it reasonably well is this: If you go to a construction site and you have two guys working on that site and one of them is operating a backhoe and the other is using shovels, they are both digging a hole; they are both moving dirt. Which one do you think gets paid more? It is not a close call. The
guy who is operating the backhoe is getting paid more on every such job site in America, not because there is a law that requires it but because he is a more productive worker. He has a skill set, and he is using major equipment that allows him to do much, much more productive than any human being can be with a simple hand tool. That is an illustration of how it is that when a company is able to put that equipment to work, the worker benefits.

That worker operator is not the only one who benefits, because somebody has to make the backhoe. Someone has to work at the factory that builds the backhoe that was bought. So what we are doing when we allow this expensing to occur—when we allow businesses, for tax purposes, to recognize the expense when it occurs rather than gradually over time, we simply make it more affordable for business to put capital to work, to buy the kind of equipment to help them grow and help them help their workers become more productive. That is why this is a very constructive, pro-growth feature in our tax reform that is going to be very, very helpful to workers.

But there is a third feature in our business tax reform that is also going to be great for America, and that is going to be our change from the current global tax system that we apply on the subsidiaries and affiliates of multinational companies—the change away from a territorial system to a territorial system. So what does that mean? So a global system is the system we have today, and America is unfortunately almost unique in the world in having this very counterproductive system.

Here is how it works. If a subsidiary of an American company goes overseas—say they go to England—and they open a business there because they want to serve the English population and they sell a product in England. So they go to England, they open their business, they make a profit, and they have to pay a tax to the English Government. That is normal. That is what any company operating there has to do.

What America does, what we do in our Tax Code that almost no one else does is, we say: After you have paid that tax to the English Government, if you would like to dividend that money back to your company so it can be invested back home in America, we are going to charge you another layer of tax. We are going to make sure the combination of what you pay there and what you bring back home hits 35 percent, which is our current rate. It is completely uncompetitive.

So, if you think about it, the rest of the world has a different system. They have the system which we know as a territorial system, and the idea there is the subsidiary in England pays its tax to the English Government and then whatever after-tax profit they choose to send home to their parent, if it is a French company or German company or a company somewhere else in the world, there is no additional tax layer.

So which country do you think has a competitive advantage doing business in England? Anyone other than the English? The very reason that you have these inversions, these American companies getting acquired by other companies. In many cases, it is not about the economics, it is not about synergies, it is because there is a tax advantage to having a multinational headquartered almost anywhere other than the United States. There are a lot of good jobs at a corporate headquarters. There is management and sales and finance and planning and all kinds of really good jobs. We are losing these systematically because we have this system that nobody else in the world has—almost nobody else has—that punishes companies when they bring that money back home.

So what are we going to do? We are going to change our system from one of the worst in the world to what I think is going to be one of the best. What we are going to do is we are going to say: Well, a company operating overseas has to pay that local tax, but we are not going to punish that company with another layer of tax when they bring that money back home to America and invest here. Most estimates of how much money—I should point out, you only get hit with this tax penalty if you pay the local tax on the money that you bring back into your country. So I think that American workers ought to think about all this money that is overseas somewhere else and not being invested in America.

I have had conversations with CEOs who have told me they want to invest in the United States, but the tax makes it prohibitively expensive to bring it home, and therefore they are looking for opportunities overseas where they will not have this tax.

We have to end this and we are going to do this in this bill and that is going to put an end to the tax incentive for these inversions—the movement overseas of corporate headquarters. It is going to make America a great place to invest and to headquarter a multinational company, and it is going to encourage that kind of growth. It is one of the central pillars of our business tax reform that is very constructive and very important.

I see my colleague from South Dakota is with us, and I will yield the floor now to him.

The PRESIDING OFFICER. The Senator from South Dakota.

Mr. THUNE. Mr. President, I thank the Senator from Pennsylvania for outlining and highlighting what are, I should say, some of the many reforms that are included in this legislation. Now, what he talked about is critically important.

If America is going to be competitive in the global marketplace, we have to change our Tax Code because it is completely outdated, completely anti-American in relative to other countries with whom we compete. So, as the Senator from Pennsylvania pointed out, the reforms we make in this bill allow American companies to compete and win against those other countries around the world, the Russians of the world, those countries in which America has to compete on a daily basis have a huge advantage over American companies today simply because we have a tax code that doesn't recognize and reflect what is happening in the global economy, and that is why modernizing and updating our tax code was such a critical part of our tax reform effort.

I was listening to the Senator from Vermont, and I think this is a really great day in the U.S. Senate. We are getting close to the finish line on this tax bill. Over the past 24 hours, I think we have made a really great bill even better with more relief and more tax relief and more relief for small businesses. We have moved our bill closer to the House's bill in key areas, which I think will help us get this bill to the President's desk in the very near future. I am excited about what this tax bill is going to do for the American people.

America has always been about opportunity, a place where you could start from nothing and become anything. Generations of people have come to this country to build a better life for themselves and an even better one for their children. My grandparents were those people. They came here from Norway back in a small merchandising company after they had learned the language and worked for a while on the railroads that were being built across this country. It later became a hardware store, and to this day in Mitchell, SD, there is still a store that goes by the name of Thune Hardware. The family is not associated with it, but it is an example of the millions of Americans or millions of people who came to this country, came to America in search of opportunity.

Unfortunately, in recent years, those vast horizons that so many people came to this country for seemed to shrink. The American dream has grown dim. Getting ahead has been replaced with getting by. We have grown so much that our jobs get shipped overseas, as other countries drop their business tax rates to better compete in the global marketplace, as emerging economies and developed nations grow faster than the American economy, have frequently spend more time worrying about their future than looking forward to it.
We are turning that around starting today with this tax bill. I am reminded of Ronald Reagan’s Presidential ad noting that “It’s morning again in America.” Well, it may not be morning yet, but the dawn is peeking over the horizon.

The tax bill before us today is going to provide immediate relief to hard-working Americans. It is going to immediately lower their tax bills. It is going to immediately mean more money in the pockets, but this bill is about much more than that. This bill isn’t just about helping Americans today, although it is most certainly going to do that. This bill is about helping Americans for the long term. It is about restoring the American dream. It is about giving Americans access to the kinds of wages, jobs, and opportunities that will set them up for a secure and more prosperous future, and it is about sending a message to the world that America is finally serious about competing for 21st century jobs and innovation.

For years, our tax laws have kept American businesses at a disadvantage in the global economy. As other nations have changed their Tax Codes to strengthen their businesses, our Tax Code has kept American businesses struggling, but that ends now. This legislation makes a tremendous investment in American businesses and American workers. Under this bill, American businesses will no longer face the double taxation that has kept them at a disadvantage next to their foreign counterparts and has pushed them to keep jobs and investment overseas. They will no longer face the highest corporate tax rate in the industrialized world. They will no longer be playing catchup with their foreign competitors. Instead, American business will have money to invest in American workers. They will be able to expand their domestic operations, and they will be able to compete with and beat their competitors around the world. What is the result of that? It means more jobs here at home, more jobs, more opportunities, higher wages, and an America that can lead the world in innovation, job creation, and economic growth.

America may have been through a rough patch lately, but she is coming back stronger than ever. America led the world in the 20th century, and this tax bill makes it clear that she is going to do the same in the 21st century.

I hope our colleagues, when it comes time to vote on this tonight, will vote in favor of tax relief for middle-income families, vote for a stronger, growing, vibrant, robust economy that is creating better paying jobs, raising wages for American workers and American families, and a brighter, better, and more prosperous future for future generations of Americans.

I yield the floor.

The PRESIDING OFFICER. The Senator from Oregon.

Mr. WYDEN. Mr. President, I would just like to set the record straight on a couple of points. I have a response to my colleagues who continually say this corporate tax cut is going to raise workers’ wages by $4,000.

Now, I asked the head of the Joint Committee on Taxation whether that was the case. He essentially said, no, he did not believe the numerical analysis and time referring to tables that document it. Perhaps even more egregious is tonight we heard our colleague from Ohio say that a Congressional Budget Office report claims that workers are going to get 70 percent of the benefits from a corporate tax cut so it was raised even higher.

Mr. President, I ask unanimous consent to have printed in the RECORD a portion of the report from the Congressional Budget Office, making it clear on the cover where it says the analysis and conclusions expressed there should not be interpreted as those of the Congressional Budget Office. It directly contradicts the comments made by the Senator from Ohio on wages and corporate tax cut.

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


INTERNATIONAL ECONOMICS OF THE CORPORATE INCOME TAX

Working papers in this series are preliminary and are circulated to stimulate discussion and critical comment. These papers are not subject to CBO’s formal review and editing processes. The analysis and conclusions expressed in them are those of the authors and should not be interpreted as those of the Congressional Budget Office. References in publications should be cleared with the authors. Papers in this series can be obtained at www.cbo.gov (select Publications and then Working Papers).

ABSTRACT

This study applies a simple two-country, five-sector general equilibrium model based on Harberger (1962, 2005) to examine the long-run incidence of a corporate income tax in an open economy. In equilibrium, capital is assumed to be perfectly mobile internationally in the sense that the country in which a real investment is located does not matter to the marginal investor. In addition, each country is assumed to produce at least some tradable corporate goods for which the country cannot affect world output prices. Like the original Harberger (1962) model, the worldwide supply of labor in each country is fixed. Under those assumptions, the model provides closed form solutions and easily understood predictions about its comparative statics. As with any simplified model, the analysis is silent about some potentially important issues—such as the effect of the corporate tax on savings rates or environmental regulations—yet may also have important effects on corporate tax incidence.

The analysis shows how the domestic owners of capital and labor share most of the corporate income tax burden when capital is re-allocated abroad in response to the tax. But, as in Bradford (1978), capital owners worldwide capture most of the capital abroad drives down the personal return to investment so that capital owners worldwide bear approximately the full burden of the domestic corporate income tax. Foreign workers benefit because an increased foreign stock of capital raises their productivity and wages, while American workers lose because their productivity falls and they cannot emigrate to take advantage of higher foreign wages. Under basic assumptions, the outcomes are approximately the same as in the simpler model of Bradford in that the full worldwide burden falls on domestic owners of productive inputs. That outcome changes, however, under alternative assumptions.

Burdens are measured in numerical experiments by substituting factor shares and output shares that are reasonable for the U.S. economy. Given those values, domestic labor bears slightly more than 70 percent of the burden of the corporate income tax. The domestic owners of capital bear slightly more than 30 percent of the burden. Domestic landowners receive a small benefit. At the same time, the foreign owners of capital bear slightly more than 70 percent of the burden, but their burden is exactly offset by the benefits received by foreign workers and landowners. To the extent that capital is less mobile internationally, domestic labor’s burden would be lower and domestic capital’s burden would be higher. It may also be affected by the domestic country’s ability to influence the world prices of some traded corporate outputs. But the signs and magnitudes of those effects on burden depend on the relative capital stock and the supply of production in the corporate sectors that produce internationally tradable goods.

Mr. WYDEN. Mr. President, if I could have the attention of my colleagues from Pennsylvania, I would like to pose a question to him on a matter. We, as we have indicated, have been digging through the amendments. As far as I can tell, what we have is the earlier language that imposes a new excise tax on the investment income of large university endowments. That has been in the bill, so be it.

Now, there seems to be a new exception on page 289. The bill says that the new tax does not apply to a university otherwise subject to the tax if it is described in the first section, which is 51(a)(2)(B), and which does not receive Federal funds.

This is new, and I am trying to figure out why there is this special exemption. I can’t seem to find other people who are getting it or whom it benefits. I thought perhaps my colleague from Pennsylvania could enlighten me on this.

The PRESIDING OFFICER. The Senator from Pennsylvania.

Mr. TOOMEY. Mr. President, I would be happy to enlighten the Senator from Oregon. What my provision does is it exempts from the tax any income that is described in section 51(a)(2)(B), which does not receive Federal funds.

This is new, and I am trying to figure out why there is this special exemption. I can’t seem to find other people who are getting it or whom it benefits. I thought perhaps my colleague from Pennsylvania could enlighten me on this.
taxpayers, and so it is perfectly reason-
able, in my view, to exempt such a col-
lege from the tax on endowments that we 
are applying generally. That is the 
answer to your question.
Mr. WYDEN. President, if my col-
league would yield further. What is 
your analysis of how many colleges 
would benefit from this? The reason I 
ask is, in my view, there are a lot of 
deserving Oregon schools—and I seem 
to remember quite a few colleges in 
Pennsylvania—that also are very de-
serving, and I would like my colleague’s 
assessment of how many colleges would 
benefit from this particular provision.
Mr. TOOMEY. Mr. President, I think 
there are very few probably who choose 
now to forgo all of this taxpayer money, 
but any college in America that 
wanted to could do so. So any col-
lege that decided to adopt the policy I 
am alluding to here would choose to 
forgo the taxpayer money subsidizing 
their students and, if they choose to do 
that, then they wouldn’t have to pay 
tax on their endowment. It would apply 
to any college that made the choice.
Mr. WYDEN. So is this Hillsdale Col-
lege—because that is what I have been 
led to believe—and I would like my col-
league’s analysis of whether they 
would benefit.
Mr. TOOMEY. I believe that Hillsdale 
College would qualify for this, as would 
any other college that chooses to forgo 
title IV funding.
Mr. WYDEN. I am just not aware of 
you.
Mr. TOOMEY. There are other col-
leges that choose to forgo the funding. 
I am not sure how many of them also 
have an endowment large enough at 
the moment that it would make an 
impact on them. I have no idea how long 
it might take them to develop an en-
dowment. But the point is, anybody 
who is in this category would have this 
same treatment.
Mrs. MCCASKILL. Mr. President, 
would the Senator answer a question 
about this provision?
Do you know who the biggest donor 
was to the Hillsdale College endow-
ment?
Mr. TOOMEY. I do not.
Mrs. MCCASKILL. Would that be the 
DeVos family, by any chance?
Mr. TOOMEY. The answer to your 
question is, I have no idea, and it 
doesn’t matter.
Mrs. MCCASKILL. Do you know who 
added this provision in here?
Mr. TOOMEY. I advocated this provi-
sion.
Mrs. MCCASKILL. What does it have 
to do with taking title IV money, is it 
whether or not your endowment will be 
taxed? How is that apples and apples? 
It sounds like apples and oranges. What 
in the world do those two have in rela-
tion to each other?
Mr. TOOMEY. Are you finished with 
your question?
Mrs. MCCASKILL. Yes.
Mr. TOOMEY. I will answer it again. 
You may choose to disagree, and that 
is fine. We can have our different op-
inions on this. But my view is, a college 
that chooses to say “We don’t want to 
take any Federal taxpayer dollars” and 
therefore saves the taxpayer I don’t 
know how many millions altogether— 
usually thousands per student—I think 
it is one of those colleges that chooses 
not to put that imposition on the Federal taxpayers ought to be 
able to be able to be exempt from this tax. 
It would be available to any college that 
made that choice. Several colleges in 
America make that choice, and any 
other colleges that choose to would be able to participate.
Mrs. MCCASKILL. So the rationale 
is, if you choose not to take Federal 
money, then your endowment is no 
longer subject to any tax even though 
the endowment money comes from peo-
ple who get a deduction for the money 
they give, correct? The endowment 
comes from donors. I thought the rea-
son we were taxing the endowments is 
because the people who were giving 
the money were getting a tax deduction 
when they put it there.
Mr. TOOMEY. The point is, the col-
lege that is qualifying for this is choos-
ing not to impose a tax burden on the 
American taxpayer. They are not al-
lowing their students to take the Fed-
eral taxpayer benefits that are avail-
able to them. They choose not to. They 
save taxpayers a tremendous amount 
of money when they make that choice. 
I think it is reasonable to allow them 
not to also have to pay this tax on 
their endowment.
Mrs. MCCASKILL. Are the people 
who are giving to the endowment still 
allowed to take a tax deduction?
Mr. TOOMEY. I think people who 
give to the endowments are treated the 
same as people who give to any other 
endowment.
Mrs. MCCASKILL. So it doesn’t mat-
ter, in terms of the people giving to 
the endowments, whether they get a tax 
deduction, just whether the school 
takes money from the Federal govern-
ment?
Mr. TOOMEY. The criteria is, if the 
school chooses to save Federal tax-
PAYERS very substantial amounts of 
money by forgoing the title IV funds, 
then the school would not have to pay 
the tax.
Mrs. MCCASKILL. My point, Sen-
ator, is that the people who are giving 
to the endowment get the exact same 
tax benefit as people who give to any 
endowment in the country.
Mr. TOOMEY. And it is a completely 
irrelevant point. The fact is, the school 
needs to choose to save the taxpayers a lot 
of money by forgoing money that 
would be available to its students. So 
it is very reasonable to have this mod-
est savings that is available to a school 
that makes that choice and saves the 
taxpayer money that they could be 
taking, the burden they could be im-
posing on taxpayers, but they choose 
not to. I think any college in that cat-
egory, whether it is Hillsdale or any 
other college, ought not to have to pay 
the tax on the endowment.
Mr. MERKLEY. You make the point 
that your colleagues on the left don’t 
have a fond opinion of this particular 
college, but my point is, we don’t have 
a fond opinion of discrimination and 
of giving a tax provision for just one col-
lege that happens to be funded by one 
of the wealthiest families in America 
because they happen to be a Repub-
lican donor. Why would that be a good 
provision in terms of the United States 
of America, to subsidize a college that 
quit taking Federal funds because of 
discrimination?
Mr. TOOMEY. Why would you choose 
to mischaracterize this provision the 
way you just did? You said it is for one 
college, and you know that is not true. 
This is criteria available to any college 
in America, and any college that takes 
it will get that benefit.
Mr. MERKLEY. Would my colleague 
provide a list of all the colleges that 
qualify, because our understanding is 
that only one—this was written for one 
to qualify. And that is why this 
shouldn’t be done at the last minute 
and just stuffed into a tax bill?
Mr. TOOMEY. If my colleague 
doesn’t like that provision, he can offer 
an amendment to strike it. This is a 
wide-open process.
Mr. WYDEN. I am reclaiming my 
time.
Mr. MERKLEY. The PRESIDING OFFICER. The 
Democratic time has expired.
Mr. WYDEN. I ask unanimous con-
sent for 3 additional minutes to com-
plete this one question.
Mr. TOOMEY. Without objection, it is so ordered.
Mr. WYDEN. I thank the Chair.
I was concerned at the beginning 
because there are so many deserving 
schools in Oregon and Pennsylvania...
and elsewhere that don’t get this special treatment, and obviously you have heard my colleagues express their concern, and I think it transcends somebody’s politics.

So my question now would be— the performance review has not been filed. Would my colleague be willing to take his provision out of the perfecting amendment and offer it as a separate amendment so we can actually have an up-or-down vote? And perhaps by that time, we will know how many colleges, if any, it is, one, two, benefit.

Mr. TOOMEY. Mr. President, the Senate from Oregon referred to many other deserving schools. I don’t know which of them choose to forgo this taxpayer money, and if any of them do, then they qualify.

If you do not like the provision, you are free to offer an amendment to strike the provision. That would be my recommendation.

Mr. WYDEN. The answer is no.

Mr. TOOMEY. I made my recommendation. If you dislike the provision, you can offer an amendment.

Mr. WYDEN. Let the record show that my colleague has said no. And I can’t find anybody else in America who believes in a particular provision, and that doesn’t strike me as right, to have it airdropped at the last minute into a bill.

Mr. President, I believe I am out of time on my request.

The PRESIDING OFFICER. The Senator from Pennsylvania.

Mr. TOOMEY. Mr. President, I ask unanimous consent that there now be 30 minutes, equally divided, for debate only, with no amendments or motions in order, and that the majority leader be recognized at the conclusion of that time.

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

Who yields time?

If no one yields time, time will be equally charged to each side.

The Senator from Utah.

Mr. LEE. Mr. President, I stand in support of the child tax credit. It is something that this bill goes a long way toward promoting.

This is a great day in the sense that the Senate is moving forward with promoting the interests of the American family, doing something to weaken, to soften the impact of a little known feature called the parent tax penalty.

A lot of people are familiar with the marriage tax penalty in the Tax Code. It is a pernicious feature, one that punishes people for getting married, one that can produce a series of adverse effects simply by saying “I do.” That is wrong. Most Americans acknowledge that it is wrong. This bill goes a long way toward undoing that.

There is a different thing called the parent tax penalty that, like I say, is less understood, less frequently discussed than it should be.

Here is how the parent tax penalty works. It is a basic function of the interaction between the Federal income tax system on the one hand and our Federal senior entitlement programs, on the other—Social Security and Medicare.

Here is how it works. Imagine two hypothetical couples, couple A and couple B. In every respect both are identical in every respect but one, and that is that they are identical in their income patterns, charitable contributions, mortgage interests, so on and so forth, except for one characteristic. Couple A has children, and couple B chooses to remain childless.

Over the course of their lifetimes and while raising their children, couple A will, on average—according to what we have described as low-ball estimates produced by the U.S. Department of Agriculture—incur around $1 million in child-rearing expenses, just the cost of raising their children. Couple B, of course, being childless, will not incur those same expenses. At the same time, they are paying more or less at the same tax rate. There are a few differences in the existing Tax Code, but nothing to offset the disparity between the two couples in the sense that the couple B is suffering. This $1 million in child-rearing expenses while they are raising their children, is also paying into Social Security and Medicare. They are also paying taxes, and they are not having their contributions to this solvency of Social Security and Medicare adequately taken into account.

In other words, because Social Security and Medicare are funded on a pay-as-you-go basis, we have to remember the requirement benefits under Social Security and Medicare of today’s workers to help fund the retirement benefits of today’s retirees. It is today’s children who will be tomorrow’s workers who will be funding the requirement benefits under Social Security and Medicare of today’s workers’ tomorrow’s retirees.

This is what the parent tax penalty is all about. You see, the Federal Tax Code doesn’t adequately take into account the enormous contribution that working parents are making toward the solvency and sustainability of Social Security and Medicare.

This is why a little over 4 years ago, back in 2013, I started pushing this idea of the need to increase the child tax credit in order to give these people some tax relief, some tax break to help soften the impact of the parent tax penalty. This is not, to be sure, something that is intended to incentivize or compel parenthood. That is not our purpose at all. This is not social engineering.

It is one thing for the government to tell people they have to do something or to incentivize them to do another. It is quite another thing to simply tell people: We are going to punish you less for having children by increasing the refundability of the child tax credit, to helping children into this world, and raising tomorrow’s generation of workers who will pay for the Social Security and Medicare benefits of today’s workers and tomorrow’s retirees.

This is important, and this is something that I am thrilled to see as part of this tax reform package. This tax reform package does, in fact, increase the child tax credit to $2,000 per child.

What I would like to see, and what I have been working on with Senator RUBIO, is also to increase the refundability of the child tax credit, to move that refundability all the way up to $2,000 per child and make it refundable up to the amount of taxes paid, including payroll taxes—in other words, up to 15.3 percent of earnings.

This would do is it would result in an effective cut in the payroll tax liability of middle-class, hard-working American moms and dads, some of whom might see their payroll tax liability exceed their income tax liability. They are still paying taxes.

Tell a construction worker or a secretary or a police officer that he or she is not paying Federal taxes simply because their biggest tax liability is found in the payroll tax. In this circumstance, this bill is needed in order to give these people significant tax benefits under this bill.

It is important to remember that some 70 percent of the benefits under this bill go to America’s corporations and 30 percent to our desire to help spread out some of the benefits of this and to help spread it out, in particular, to America’s hard-working middle-class moms and dads.

Now, the Rubio-Lee amendment, in its current form, would involve a very slight adjustment to the corporate tax rate, taking it from 20 percent to 20.94 percent. This is not an enormous difference.

This reminds me a little bit of a story that I first heard told by Emo Philips. Emo Philips described himself as walking across the Golden Gate Bridge one night very late. He was alone on the bridge, or so he thought, until he got to about halfway across the bridge when a man discovered he was not alone. He found somebody else standing on the outside of the guardrail of the Golden Gate Bridge.

Emo said: I could tell right away that this man was in trouble, and the thought occurred to me maybe this man is thinking about taking the unfortunate step of ending his life by jumping off the bridge.

Emo said: I stopped and asked the man the first thing that came to mind: Do you believe in God?

The man said: Yes.

Emo said: Me too. Are you a Christian?

The man said: Yes.

Emo said: Me too. What denomination are you?

The man said: I am a Baptist.

Emo said: Me too. Are you a northern Baptist or a southern Baptist?

The man said: I am a northern Baptist.

Emo said: Me too. Are you a northern fundamentalist Baptist or a northern reformed Baptist?

The man said: I am a northern fundamentalist Baptist.

Emo said: Me too. Are you a northern fundamentalist Baptist, conference of
1857 or a northern fundamentalist Baptist, conference of 1812?
The man said: Northern fundamentalist conference of 1857.
Emo said: Die, you heretic. And he pushed him off the bridge.

That is why we start because, right now, this bill is not a tax cut for working families. Everybody on this side of the aisle knows it. Every single person knows it. Whether they were personally or a CEO, whether they were an accountant, whether they were a lawyer in a small town, they all know this is not a cut for middle-class families.

Right now this bill is a massive give-away to multinational corporations that outsource American jobs. We know the companies shut down in Mansfield, OH, in Zanesville, and in Chillicothe, they get a tax break, they move overseas, build a new factory, and sell those products back into the United States. We know that is what has been happening. We choose not to fix that and instead we do more of the same.

Even before we take into account the loss of healthcare coverage for tens of millions of Americans, a full 62 percent of these tax cuts will go to the top 1 percent of households. Even with the Bush tax cuts, which were clearly weighted too much to the wealthiest people in our country—the most privileged—that was only 27 percent of those tax cuts, those benefits that went to the wealthiest 1 percent.

So let’s end the charade that this bill is a tax cut for ordinary Americans. It is not.

Their CEO pals have let the cat out of the bag. Bloomberg said this morning: “Instead of hiring more workers. . .” My friends on the other side of the aisle say, if we cut taxes on corporations, it will raise wages, and they will hire more workers.

Bloomberg said: “Instead of hiring more workers or raising their pay, companies say they will first increase dividends or buy back their own stock.”

That is what they always do. They take the money for themselves. They take the money for stockholders and stock buybacks and more executive compensation. The corporate CEOs couldn’t be clearer: They are keeping the money for themselves. It is not going into the pockets of workers.

Again, take out the middleman. If you want to do tax cuts for the middle class, then do tax cuts for the middle class. If my colleagues mean what they say—if they want to cut taxes for the middle class—work with us bipartisanship on a good child tax credit that will really work for working families and cut taxes directly for the middle class.

I yield the floor.
Mr. ENZI. Mr. President, today I wish to speak about the important legislation we are now considering.

Earlier this week, I explained some of the reasons that Senate needs to consider stand-off legislation and gave a general overview of the bill. Today I want to talk about some of the specific provisions of the bill.

| Mr. WYDEN. Mr. President, how much time remains on our side in the chamber?

The PRESIDING OFFICER. Eleven minutes.
Mr. WYDEN. I would like to yield 5 minutes of my time to the Senator from Ohio, Mr. BROWN.

Mr. BROWN. Mr. President, I thank Senator WYDEN.

Mr. President, if we want to cut taxes for the middle class, as my colleagues keep saying, then let’s cut taxes for the middle class. Instead of giving the money to the corporations and hoping it trickles down, let’s cut out the middleman. Let’s put the money directly in the pockets of working families.

I will say that again. Instead of giving the money to the corporations and hoping it trickles down, cut out the middleman and put the money directly in the pockets of working families. I will keep saying this, because tax reform should be that simple.

I spent the last 2 weeks, and in particular the past 2 days, working with Senators RUBIO and LEE on a good-faith effort to bring the child tax credit into this conversation.

I don’t believe their proposal goes far enough because it fails to index the CTC for inflation. For inflation, it is temporary. Remember, the tax cuts for individuals are temporary; the tax cuts for corporations are permanent. It continues to be tied only to payroll taxes. It ignores the burdens we place on working families.

We can find trillions—trillions—for corporations. This is all we can do for working families?

Unfortunately, while Senators LEE and RUBIO were making a real effort at middle-class tax cuts, and I thought we were close to a bipartisan bill that could save this bill, it didn’t happen.

Republican leadership—coming down the hall from Senator MCCONNELL’s office—swooped in and made it clear that this bill is not a benefit to one class of people: corporations that shift jobs overseas and their CEOs.

While Senators’ sons and daughters will do just fine under this proposal—they will get the full tax cut for their children—working families will pay the price.

What we should do—frankly, what we must do—is vote this bill down and start over.

Senators RUBIO and LEE and I could work together, along with our colleagues, SENATOR HAGERTY, to pass real middle-class tax cuts built around a compromise that begins with our shared goals on the child tax credit.

I yield the floor.
Mr. BROWN. Mr. President, how much time remains on our side in the chamber?
First, I want to talk about the relief this bill provides to hard-working Americans. The Tax Cuts and Jobs Act reduces tax rates for individuals, almost doubles the standard deduction, and doubles the child tax credit. This will help to keep more of the money they earn in their pockets. The independent Tax Foundation estimates that this will amount to about $2.500 more in after-tax income for a middle-income family in Wyoming.

This bill would provide relief to small, family-owned businesses that currently employ the majority of the private sector in Wyoming. The bill cuts taxes for these businesses while enhancing deductions that are important to them, like the section 179 deduction that promotes business investment. The Tax Foundation believes changes like this will add more than 1,700 full time jobs in my home State. What’s more, the provisions are important to so many Wyomingites and small businesses in my home State, I am also especially proud of the international tax provisions in this bill, which I worked on with Senator HATCH, the distinguished chairman of the Senate Finance Committee, Senator HATCH.

Right now, our tax rules are written so that many businesses could be better off if they are headquartered outside of the United States. Those rules, which were written in the 1960s, are completely outdated. Many of the U.S. major trading partners, including Canada, Japan, and the U.K., have moved to what are called “territorial” tax systems. Those systems tax the income generated within their borders and exempt foreign earnings from tax.

The United States, on the other hand, taxes the worldwide income of U.S. companies and provides deferral of U.S. tax until the foreign earnings are brought home. Deferring the tax incentivizes companies to leave their money abroad and invest it there. That is certainly not a recipe for U.S. growth and U.S. job creation.

The dominance of U.S.-headquartered companies in the global marketplace is waning. In 2000, 36 percent of the Fortune Global 500 companies were headquartered in the United States. In 2009, that number dropped to 28 percent. In 2017, we are down to 26 percent. Clearly, America is losing ground, and our international tax rules are part of the problem.

I have been working to change that since the 112th Congress, when I introduced the States Job Creation and International Tax Reform Act. My goal then was to incentivize American companies to create jobs in the United States while leveling the playing field for U.S. companies in the global marketplace. The Tax Cuts and Jobs Act achieves that goal.

This bill would reform and modernize the rules for taxing the global operations of American companies. These reforms, along with reducing our corporate tax rate, would help make America a more attractive location to base a business that serves customers around the world.

With these provisions in law, families would hear fewer stories about how U.S. companies are moving their profits to tax haven countries and avoiding U.S. tax on those earnings. Families would hear fewer stories about how U.S. multinational companies set up post office boxes in the Cayman Islands and Switzerland without an employee or officer of the company anywhere in sight and attribute a significant portion of their foreign earnings to these jurisdictions. Families would hear more stories about how U.S. companies are generating the ideas and inventions of tomorrow right here in America.

The international tax rules are not easy or simple, and a lot of work went into these provisions. I want to again thank Senator PORTMAN and Chairman HATCH for their work with me in this area. I look forward to continuing to work with them and the rest of my colleagues to pass this bill that our country desperately needs.

Thank you.

Mr. PORTMAN. Mr. President, I rise today in a coloquy with the distinguished chairman of the Senate Finance Committee, Senator HATCH.

Mr. Chairman, I would like to clarify a point in connection with the application of the base erosion anti-abuse tax in the Tax Cuts and Jobs act to services companies. The act provides an exception from the base erosion anti-abuse tax for services. The act limits the exception to the “total services cost with no markup.” As a practical matter, companies account for amounts paid or accrued for services in a variety of ways. I would like to clarify that, if in a transaction a company used one account for services cost with no markup and another account for any additional amounts paid or accrued, that the first account would be subject to the exception under the bill.

The act also excludes an amount paid or incurred for services if those services meet the requirements for the services under section 313(b)(1)(C) of the Internal Revenue Code section 482, excluding the requirement that the services not contribute significantly to fundamental risks of business success or failure.

Is it the intent that, for this purpose, that the business judgment rule under current law and regulations will not prevent an amount from being excluded under the act?

Mr. HATCH. The Senator is correct.

The intent of the provision is to exclude all amounts paid or accrued for services costs with no markup. Thus amounts paid or accrued in that account would be excluded from the base erosion anti-abuse tax. Any accounts related to the same transaction may or may not be excepted from this tax.

Similarly, it is the intent that for purposes of the base erosion anti-abuse tax that the business judgment rule will not prevent an amount from being excluded under the act.

I would like to thank my friend from Ohio for his leadership on international tax issues, especially since he joined this committee. I look forward to continuing to work with him on these important issues.

Mr. PORTMAN. I thank the chairman for that clarification and appreciate his leadership and work on this historic tax reform measure.

Mr. CARPER. Mr. President, I wanted to take an opportunity to clarify the implications of title II in the reconciliation bill before us pertaining to the development of oil and gas resources along the coastal plain of the Arctic National Wildlife Refuge.

As our colleagues recall, the Senate instructed the Energy and Natural Resources Committee to report legislation that reduces the deficit by $1 billion between 2018 and 2027. In response to those instructions, the committee reported recommendations to open the refuge’s coastal plain, otherwise known as the 1002 Area, to oil and gas development.

In the process of considering and ultimately reporting this legislation, the chair of the Energy and Natural Resources Committee, the senior Senator from Alaska, Mr. Murkowski, assured members of the committee that if the legislation became law, it would require such development be subject to the full scope of environmental review required by the National Environmental Policy Act, or NEPA, as well as other environmental laws.

Indeed, earlier in this floor debate, the Senator from Alaska reiterated an assurance that the environment and local wildlife will always be a concern and a priority and that this legislation does not waive NEPA or any other environmental laws. I take my colleague at her word and thank her for her commitment.

After the Energy Committee reported its recommendations to the Senate Budget Committee, the Parliamentarian advised that the committee-reported language directing the Secretary of the Interior to manage the oil and gas program on the coastal plain “in accordance with” the Naval Petroleum Reserves Production Act of 1976 and its supporting regulations set up a clear conflict of law with NEPA, which is the jurisdiction of the EPW Committee. Because any changes to NEPA applicability, scope, and the content of environmental laws protected under the law, especially those within a National Wildlife Refuge, lie exclusively within the jurisdiction of the Environment and Public Works Committee, the language in section 20001(b)(3) was found to be extraneous under the definition in section 313(b)(1)(C) of the Congressional Budget Act.

It appears that this effect may have been inadvertent, given the assurance we have received from the Senator from Alaska, chair of the Energy Committee, that “we did not waive NEPA or any other environmental law.” In any event, as a result, the substitute
amendment, if adopted, would modify section 20001(b)(3) in an effort to eliminate extraneous language. It does this by directing the Secretary of the Interior to manage the oil and gas operations in the coastal plain in a manner "similar to the requirements of the Naval Petroleum Reserves Product Act of 1976. This modification, while it might appear to be small, is a significant change.

The Parlamentarian has advised that the amendment in the substitute is in order, meaning that it no longer runs afoul of section 313(b)(1)(C) of the Congressional Budget Act. The new language appears to achieve the stated intent of the chair of the Energy Committee, to not repeal, modify or otherwise limit in any way the application of NEPA, the Endangered Species Act, the Marine Mammal Protection Act, the Alaska National Interest Lands Conservation Act, or any other environmental or land management statute.

Importantly, the requirement that oil and gas activities must be determined to be "compatible with the major purposes for which such areas are established," as required by 16 U.S.C. 688dd(d)(1)(A), still applies.

I would be fully aware of the substantive difference produced by the perfecting amendment offered by the majority leader, Mr. McConnell. The change in the management regime as required by this amendment significantly reduces receipts generated by lease sales that are mandated on the coastal plain, as shown in the amendment's score produced by the Congressional Budget Office.

While the Energy and Natural Resources Committee rightly exercises its prime responsibility to determine the scope and nature of oil and gas leasing activities broadly, these activities are subject to a variety of aforementioned environmental and natural resource statutes and associated regulations that fall within the Environment and Public Works Committee's jurisdiction. That is particularly true of activities in National Wildlife Refuges and most certainly true of the refuge's coastal plain.

Indeed, NEPA assessments for Federal oil and gas activities in Alaska's Kenai National Wildlife Refuge are conducted in accordance with the same standards applied to oil and gas leasing in Alaska. The Bureau of Land Management, in coordination with the Fish and Wildlife Service, will continue to apply the provisions of the Mineral Leasing Act and the associated regulations, memorialized in 43 CFR part 3100, which specify that leases shall be issued subject to stipulations prescribed by the Fish and Wildlife Service.

In summary, I would just say that my colleague from Alaska, as chair of the Energy Committee, and I, serving as the ranking member of the Environment and Public Works Committee, share a common understanding that NEPA and other seminal environmental laws will apply to potential leasing activities and related exploration and development on the coastal plain of the Arctic Refuge.

Mr. Cassidy. Mr. President, today I wish to discuss the historic rehabilitation tax credit, which the Finance Committee markup of the Tax Cuts and Jobs Act, the committee adopted my amendment to return the historic rehabilitation tax credit to the 20 percent level, with the credit now claimed over 5 years. This transition rule to grandfather approved and underway projects under the prior law and regulations.

The historic rehabilitation tax credit program provides jobs and investment in communities across the country. More than 40 percent of projects over the past 15 years have been located in communities with populations less than 25,000 people. Since 2002, the historic rehabilitation tax credit has facilitated in Louisiana, bringing more than $2.2 billion of investment into cities and towns across the State. I am pleased this important provision will be preserved in tax reform.

For purposes of the transition rule in my amendment, "taxpayer" refers to the person who undertakes the rehabilitation of a building. In the case where a person makes an election under section 48(d), the term "taxpayer" means the lessor, since the lessor is the person who undertook the rehabilitation. It is intended that the historic rehabilitation tax credits be available during the transition period only to the extent such credits would have been available under the prior law and regulations.

Mr. President, I am proud of the work we have done in the Senate to develop a bill that delivers tax cuts to working families and significantly improves the competitiveness of our Tax Code. This will lead to greater investment, more jobs and opportunity, and an increase in economic growth.

I would like to take a moment to highlight an important, unresolved issue that we should consider as we work toward putting a bill on the President's desk.

Families in Louisiana are particularly prone to the negative impacts of natural disasters. From Hurricane Katrina in 2005 to historic flooding in multiple parts of the state during 2016, we have unfortunately seen some significant losses: yet as we saw once again with the recent Hurricanes Harvey and Irma, Louisianans are resilient and watchful of neighbors through the tragedy and the recovery.

One aspect of recovery that many people don't think too much about is the enormous amount of capital that flows into the storm zone from the reinsurance industry. In simple terms, reinsurance is insurance for insurance companies, and it helps Louisianans rebuild their homes and their businesses, and their lives.

Reinsurance transfers risk from the balance sheets of property and casualty insurance carriers so those companies can provide cost-effective solutions to consumers and businesses. A robust reinsurance market helps ensure that policyholders are getting the best rates possible on their homes and businesses. Most reinsurance companies in the world were founded in Europe 100 years ago or more, and a number of them do business in the United States through U.S. subsidiaries.

The concern is the potential impact of the bill's base erosion provision on the reinsurance market and policyholders along the Gulf coast. The base erosion provision has the rightful intent of targeting bad actors who implement strategies to avoid U.S. taxes; yet the provision may have an unintended consequence of negatively impacting cross-border reinsurers conducting normal transactions, which could affect the market and premiums.

Mr. Kennedy. Mr. President, today I rise to discuss the historic rehabilitation tax credit. The historic rehabilitation tax credit is a vital component of pro-growth tax reform and a shot in the arm for communities across the country. For instance, in my State of Louisiana, the credit has encouraged 782 restoration projects since 2002. This amounts to more than $2.2 billion in investment into cities and towns across the State. Many of these private investment dollars are flowing into small and rural communities with populations less than 25,000 people.

I am pleased that the Finance Committee restored the historic rehabilitation tax credit to the 20 percent level and ensured a smooth transition for approved and underway projects by grandfathering them under the prior law and regulations.

For purposes of the transition tax credit's transition rule, "taxpayer" refers to the person who undertakes the rehabilitation of a building. In the case where a person makes an election under section 48(d), the term "taxpayer" means the lessor, since the lessor is the person who undertook the rehabilitation. It is intended that the historic rehabilitation tax credits be available during the transition period only to the extent such credits would have been available under the prior law and regulations.

Mr. Wyden moves to commit the bill H.R. 1 to the Committee on Finance with instructions to report the same back to the Senate in 3 days, not counting any day on which the Senate is not in session, with changes that—
Mr. UDALL. Mr. President, I ask unanimous consent with the support of Senators Wyden, Bennet, Feinstei, and Klobuchar, that the text of my motion to commit be printed in the RECORD.

Mr. UDALL. Mr. President, I ask unanimous consent that the following motion to H.R. 1, and I ask unanimous consent that the following motion to H.R. 1, the Tax Reconciliation Act, be printed in the RECORD.

Mr. REED. Mr. President, I ask unanimous consent that the following motion to H.R. 1, the Tax Reconciliation Act, be printed in the RECORD.

Mr. BOOKER. Mr. President, I intend to offer the following motion to H.R. 1, and I ask unanimous consent that it be printed in the RECORD.

Mr. MENENDEZ. Mr. President, I intend to offer the following motion to H.R. 1, and I ask unanimous consent that it be printed in the RECORD.

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and the Senate is descending to a new low of chicanery. 

Read the bill? They are still writing it by hand, mere hours before voting on it. Is this really how Republicans are going to rewrite the Tax Code, scrapping like something on the back of a napkin behind closed doors with the help of K Street lobbyists? If that is not a recipe for swindling the middle class and loosening loopholes for the wealthy, I don’t know what is. I don’t know if it is possible for a Senate majority leader to depart further from responsible legislating than the process we witnessed with this tax bill.

Tonight, Mr. President, I feel mostly regret at what could have been. What a responsible legislating than the process majority leader to depart further from responsible legislating than the process we witnessed with this tax bill. Tax reform is an issue that is ripe for bipartisan compromise. Democrats have spent many long hours with our Republican colleagues talking about our tax reform ideas. There is a sincere desire on this side of the aisle to work with our colleagues, particularly on tax reform, but we have been rebuffed time and time again. Even under these difficult circumstances, Senators Coons, Warner, Bennet, Manchin, Hekttap, Donnelly, and McCaskill have tried in good faith to convince our Republican colleagues to sit down and talk to us. We have tried to convince you all that it is possible to join you in tax reform, to have a real debate befitting this august body.

It is an expression of the brokenness of our politics that the influence of money interests and the political right was so great that it overcame even the best of intentions of my Republican colleagues, so many of whom I admire, so many of whom I know, because they have said it to me, lament the steady erosion of our parties and have long since abandoned the bipartisan approach. Democrats have moved the Senate back toward bipartisanship, compromise. We have moved the Senate back toward sanity, bipartisanship, compromise. We have moved the Senate back toward sanity, bipartisanship, compromise. We have moved the Senate back toward sanity, bipartisanship, compromise. We have moved the Senate back toward sanity, bipartisanship, compromise.

I salute my friend the Senator from Tennessee for standing fast by his principles and having the courage of his convictions. I only regret that there were not more who followed his admirable example.

After a divisive and draining battle over the future of healthcare, we could have moved the Senate back toward sanity, bipartisanship, compromise. We could have accomplished something great for the country and for this body at the same time.

Although time is running short, there is still time, and I will make one final plea. Because this bill is so slanted toward the wealthy and powerful and rains tax increases upon millions of middle-class citizens; because the bill is laden with special interest provisions that have recently found and may not yet seen; because the bill was given to lobbyists to read and change before Senators saw it; and because the bill was given to us on few hours’ notice and hasty, it is time for us to be read fully or considered fully by a single Senator. I mean that we adjourn until Monday so we can first read and then clean up this awful piece of legislation.

Mr. President, I move that the Senate adjourn until Monday, December 4, 2017, at 12 noon, and I ask for the yeas and nays.

The PRESIDENT pro tempore. Is there a second?

There is a sufficient second. The question is on agreeing to the motion. The clerk will call the roll. The legislation will be called the roll. The result was announced—yeas 48, nays 52, as follows:

[Rollcall Vote No. 293 Leg.] YEA—48

Baldwin          Gillibrand         Murray
Benning         Harris             Nelson
Bennet          Hassan            Peters
Blumenthal      Heinrich          Reed
Booker          Hirono             Schatz
Casey           Klobuchar          Stabenow
Cantwell        King              Schumer
Carper          King               Shaheen
Casey           Krobuch            Van Hollen
Cassidy         McCaskill         Warner
Coons           Leahy              Tester
Cortez Masto    Menendez          Whitehouse
Cruzin          Merkley            Wyden

NAY—52

Alexander       Flake              Perdue
Barrasso        Gardner           Portman
Blunt           Graham            Ritse
Boozman         Grasley            Roberts
Brown           Herring           Rounds
Capito          Heller            Rubio
Cassidy         Hoeven            Sasse
Cochran         Isakov             Scott
Collins         Isakson            Shelby
Corker          Johnson            Strange
Corzine         Kincheloe          Sullivan
Cotton          Lankford          Thune
Crapo           Lautner           Tillis
Crux            McCain            Toomey
Daines           McConnell         Young
Daines           Mennen            Young
Ernst           Mookwobi          Young
Fischer         Paul

The motion was rejected. The PRESIDENT pro tempore. The time leadership. AMENDMENT NO. 1852 TO AMENDMENT NO. 1850

(Purpose: To provide a perfecting amendment.)

Mr. MCCONNELL. Madam President, I ask unanimous consent to call up amendment No. 1850; that the amendment be agreed to; that Senate amendment No. 1850, as amended, be considered original text for the purpose of further amendment; and that all points of order be preserved. I further ask that all time be yielded back. The PRESIDENT pro tempore. Is there objection?

Without objection, it is so ordered. The clerk will report the amendments in bloc by number. The senior assistant legislative clerk read as follows:

The Senator from Kentucky [Mr. MCCONNELL], for others, proposes amendments numbered 1720, 1850, and 1850 on en bloc to amendment No. 1618.

The amendments are as follows:

AMENDMENT NO. 1720

(Purpose: To create a point of order against legislation that cuts Social Security, Medicare, or Medicaid benefits)

At the appropriate place, insert the following:

SEC. 11011. INCREASE IN AND MODIFICATION OF CHILD TAX CREDIT.

At the appropriate place, insert the following:

SEC. 11022. INCREASE IN AND MODIFICATION OF CHILD TAX CREDIT.

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SEC. 11022. INCREASE IN AND MODIFICATION OF CHILD TAX CREDIT.
for which the taxpayer is allowed a deduction under section 151, an amount equal to $2,000, and

"(2) with respect to each qualifying child of the taxpayer who has not attained 6 years of age before the close of such taxable year and for which the taxpayer is allowed a deduction under section 151, an amount equal to $2,000."

"(b) LIMITATION.—

"(1) IN GENERAL.—The amount of the credit allowable under subsection (a) (including any increase pursuant to subsection (b)) shall be reduced (but not below zero) by an amount equal to 5 percent of the taxpayer’s adjusted gross income which is in excess of the thresholds described in subsection (c).

"(2) THRESHOLD AMOUNT.—

"(A) IN GENERAL.—For purposes of paragraph (1), the term ‘threshold amount’ means—

"(i) $250,000 in the case of a joint return,

"(ii) $200,000 in the case of an individual who is not married, and

"(iii) $125,000 in the case of a married individual filing a separate return.

"(B) MARITAL STATUS.—For purposes of this paragraph, marital status shall be determined under section 7703.

"(2) in subsection (d)(1)—

"(A) in subparagraph (A), by inserting ‘‘25 percent’’ for ‘‘20 percent’’; and

"(b) ROUNDING.—If any increase determined under paragraph (1) is not a multiple of $100, such increase shall be rounded to the next lowest multiple of $100.’’.

(b) EFFECTIVE DATE.—The amendments made by this section shall be applied to taxable years beginning after December 31, 2017.

(c) OFFSETS.—

"(1) REPRESENTATIVE AND TERMINATION OF CORPORATE RATE.—Section 11, as amended by section 13001 of this Act, is amended—

"(A) in subsection (b), by striking ‘‘20 percent’’ and inserting ‘‘25 percent’’;

"(B) by adding at the end the following:

"(e) TERMINATION OF 25 PERCENT RATE.—In the case of any taxable year beginning after December 31, 2017, the tax computed under subsection (a) shall be computed in the same manner as such tax was computed under subsection (b) (as in effect on the day before the date of the enactment of the ‘‘Tax Cuts and Jobs Act’’), and

"(2) CREDIT AMOUNT.—Subsection (a) shall be applied by substituting ‘‘$2,000’’ for ‘‘$1,000’’.

"(3) LIMITATION.—In lieu of the amount determined under subsection (b)(2), the threshold amount shall be—

"(A) in the case of a joint return, $500,000, and

"(B) in the case of an individual who is not married or a married individual filing a separate return, $250,000."

(4) DEFINITION OF QUALIFYING CHILD.—Paragraph (1) of subsection (c) shall be applied by substituting ‘‘18’’ for ‘‘17’’.

(5) PARTIAL CREDIT ALLOWED FOR CERTAIN OTHER DEPENDENTS.—

"(A) IN GENERAL.—The credit determined under subsection (a) (after the application of paragraph (2)) shall be increased by $500 for each dependent of the taxpayer (other than a qualifying child described in subsection (c)) who is not a resident of the United States.

"(B) EXCEPTION FOR CERTAIN NONCITIZENS.—Subparagraph (A) shall not apply with respect to any individual who would not be a dependent if subparagraph (A) of section 152(b)(3) were applied without regard to all that follows ‘resident of the United States’.

"(C) EXCEPTION FOR TAXPAYERS EXCLUDING ENROLLED FOREIGN EARNED INCOME.—Subparagraph (A) is amended by—

"(i) section 14201 of this Act, to apply to tax years beginning after December 31, 2017;

"(ii) the excess over $500,000.’’.

"(D) THRESHOLD AMOUNT.—The last row of the table contained in section 1(j)(2)(C), as added by section 11001(a), is amended to read as follows:

"Over $500,000 ........................ $149,348, plus 39.6% of the excess over $500,000.’’.

"(E) UNMARRIED INDIVIDUALS.—The last row of the table contained in section 1(j)(2)(C), as added by section 11001(a), is amended to read as follows:

"Over $500,000 ........................ $150,739.50, plus 39.6% of the excess over $500,000.’’.

"(F) MARRIED INDIVIDUALS FILING SEPARATE RETURNS.—The last row of the table contained in section 1(j)(2)(D), as added by section 11001(a), is amended to read as follows:

"Over $500,000 ........................ $150,739.50, plus 39.6% of the excess over $500,000.’’.

(5) DETERMINATION OF GLOBAL INTANGIBLE LOW-TAXED INCOME ON A COUNTRY-BY-COUNTRY BASIS.—

(A) IN GENERAL.—Section 951(a), as added by section 14201 of this Act, is amended by—

"(i) section 14201 of this Act, to apply to tax years beginning after December 31, 2017;

"(ii) the excess over $500,000.’’.

"(B) PAYROLL TAXES.—The term ‘payroll taxes’ means, with respect to any taxpayer for any taxable year, the amount of the taxes imposed by—

"(i) section 1401 on the self-employment income of the taxpayer for the taxable year,

"(ii) section 3101 on wages received by the taxpayer during the calendar year in which the taxable year begins,

"(iii) section 3111 on wages paid by an employer with respect to employment of the taxpayer during the calendar year in which the taxable year begins,

"(iv) sections 3201(a) and 3211(a) on compensation received by the taxpayer during the calendar year in which the taxable year begins, and

"(v) section 3221(a) on compensation paid by an employer with respect to services rendered by the taxpayer during the calendar year in which the taxable year begins.

"(C) EXCEPTION WITH RESPECT TO TAXPAYERS ELIGIBLE FOR THE EARNED INCOME DISCOUNTED TAX Credit.—Sections 32(C) and 32E of the Internal Revenue Code of 1986 (as added by section 14201 of this Act) shall not be applied to any taxpayer for any taxable year if such taxpayer elects to exclude any amount from gross income under section 931 for such taxable year.

"(D) SOCIAL SECURITY NUMBER REQUIRED.—No credit shall be allowed under subsection...
neous to the instruction in H. Con. Res. 71, the concurrent resolution on the budget for fiscal year 2018. Therefore, I raise a point of order against this measure pursuant to section 313(b)(1)(A) of the Congressional Budget Act of 1974.

The PRESIDING OFFICER. The Senator from Vermont.

Mr. SANDERS. Pursuant to section 904 of the Congressional Budget Act of 1974, I move to waive all applicable sections of that act for purposes of the pending amendment, and I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There appears to be a sufficient second.

The question is on agreeing to the motion.

The clerk will call the roll.

The legislative clerk called the roll.

The yeas and nays resulted—yeas 46, nays 54, as follows:

[Rollcall Vote No. 294 Leg.]

YEAS—46

Brown
Blumenthal
Booker
Boozman
Barrasso
Burr
Capito
Cardy
Casey
Collins
Coons
Cortez Masto
Donnelly
Duckworth
Feinstein
Franken
Gillibrand
NAYs—54

Alexander
Barrasso
Burr
Capito
Crapo
Corker
Cochran
Cassidy
Carper
Capito
Boozman
Barrasso
Alexander
Blunto

The PRESIDING OFFICER. On this vote, the yeas are 46, the nays are 54.

Three-fifths of the Senators duly chosen and sworn not having voted in the affirmative, the motion is rejected.

The point of order is sustained and the amendment falls.

AMENDMENT NO. 1854

There will now be 2 minutes of debate, equally divided prior to a vote on the Brown amendment No. 1854.

Mr. BROWN. Madam President, pursuant to section 904 of the Congressional Budget Act of 1974, I move to waive all applicable sections of that act for purposes of the pending amendment, and I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The question is on agreeing to the motion.

The clerk will call the roll.

The senior assistant legislative clerk called the roll.

The yeas and nays resulted—yeas 48, nays 52, as follows:

[Rollcall Vote No. 295 Leg.]

YEAS—48

Brown
Blumenthal
Booker
Boozman
Barrasso
Burr
Capito

NAYs—52

Alexander
Barrasso
Blumenthal
Boozman
Burr
Capito

Brown-Bennett provides more for small children at the most important time in their young lives.

My wife and I live in Cleveland, OH, in ZIP Code 44105. Our ZIP Code had more foreclosures in 2007 than any ZIP Code in the United States of America. This amendment helps to answer that. ZIP Codes should not be the determining factor for the future of a child.

The PRESIDING OFFICER. The Senator from Wyoming.

Mr. ENZI. Madam President, while this amendment expands the child tax credit provisions, it makes the credit available to fewer taxpayers. It also raises the corporate tax rate to 25 percent. The underlying bill already provides for a generous enhanced child tax credit with increased refundability that reaches far up into the middle class, giving relief to millions of families.

This amendment would undermine the balance struck in the drafting of this bill and diminish its potential to generate growth.

Has all time expired?

The PRESIDING OFFICER. All time has not expired. The Senator has 20 seconds.

Mr. ENZI. The pending amendment No. 1854 would cause the underlying legislation to exceed the Finance Committee’s section 302(a) allocation of new budget authority or outlays. Therefore, I raise a point of order against this measure pursuant to section 302(f) of the Congressional Budget Act of 1974.

The PRESIDING OFFICER. The Senator from Ohio.

Mr. BROWN. Madam President, pursuant to section 904 of the Congressional Budget Act of 1974, I move to waive all applicable sections of that act for purposes of the pending amendment, and I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The question is on agreeing to the motion.

The clerk will call the roll.

The senior assistant legislative clerk called the roll.

The yeas and nays resulted—yeas 48, nays 52, as follows:
Lee stopped far short of meaningful re-
lke Rubio-Lee. The best way to pro-
than temporary protection for some
Dem-anding against this today you are basi-
catastrophe. That is ridiculous. Vot-
ing against this today you are basi-
corporations can't afford, and
America will be a corporate utopia, but at 20.94, it is a
case of New Jersey and other States
cut to 20.94 percent. Instead of a 15-point cut, we are asking for a
or higher. American corporations at 20 percent. America will be
important to keep in place
than giving American families an $800
corporations—no matter how much of their
in a moment. The Senate from Florida is recog-
Mr. RUBIO. Madam President, this
would allow people making primarily between $20,000, $50,000,
month, there will be a point of order, and
permanently reduce to below 20 percent. Their child tax credit ex-
Dreamers.
perfect, but it is better than what we
American parents should not be al-
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Mr. RUBIO. Madam President, this
would allow people making primarily between $20,000, $50,000,
benefits wealthy taxpayers in high tax States. More than 70 percent of American families currently take the standard deduction, so they will not even be impacted at all by this bill’s treatment of SALT. Let’s also keep in mind that our improving amendment strikes a compromise on SALT. It includes, as does the House bill, a deduction of up to $10,000 for property tax paid to State and local governments.

Democrats insisting on keeping the entire SALT deduction in place should explain why they have prioritized a tax deduction for wealthy taxpayers over middle-class tax relief. Our bill addresses this issue in an appropriate way, and I urge my colleagues to vote against this motion.

I yield the floor.

The PRESIDING OFFICER. The question is on agreeing to the motion.

The yeas and nays were previously ordered.

The clerk will call the roll.

The senior assistant legislative clerk called the roll.

The result was announced—yeas 48, nays 52, as follows:

[Roll Call Vote No. 297 Leg.]

YEAS—48

Baldwin (D) Wisconsin—Brandt (D) Iowa
Bennet (D) Colorado—Nelson (D) Nebraska
Blumenthal (D) Connecticut—Peters (D) Michigan
Booher (R) Utah—Reed (D) Delaware
Brown (D) Ohio—Sanders (I) Vermont
Cantwell (D) Washington—Schatz (D) Hawaii
Cardin (D) Maryland—Schumer (D) New York
Cochran (R) Mississippi—Sasse (R) Nebraska
Cornyn (R) Texas—Sasse (R) Nebraska
Cruz (R) Texas—Sasse (R) Nebraska
Fischer (R) Nebraska—Sasse (R) Nebraska
Ernst (R) Iowa—Sasse (R) Nebraska
Johnson (R) Iowa—Sasse (R) Nebraska
Lee (R) Utah—Sasse (R) Nebraska
McCracken (R) West Virginia—Sasse (R) Nebraska
Murkowski (R) Alaska—Sasse (R) Nebraska
Paul (R) Tennessee—Sasse (R) Nebraska
Young (R) Alaska—Sasse (R) Nebraska

NAYS—52

Alexander (R) Alabama—Perdue (R) Georgia
Barrasso (R) Wyoming—Portman (R) Ohio
Blunt (R) Missouri—Risch (R) Idaho
Boozman (R) Arkansas—Roberts (R) West Virginia
Burk (R) Arizona—Rounds (R) South Dakota
Capito (R) West Virginia—Rubio (R) Florida
Cassidy (R) Louisiana—Sasse (R) Nebraska
Cochran (R) Mississippi—Sasse (R) Nebraska
Collins (R) Maine—Scott (R) South Carolina
Corker (R) Tennessee—Shelby (D) Tennessee
Coryn (R) Wyoming—Shelby (D) Tennessee
Cortez Masto (D) Nevada—Sullivan (R) Alaska
Crapo (R) Idaho—Thune (R) South Dakota
Cruz (R) Texas—Tillis (R) North Carolina
Daines (R) Montana—Toomey (R) Pennsylvania
Enzi (R) Wyoming—Wicker (R) Arkansas
Ernst (R) Iowa—Wicker (R) Arkansas
Fischer (R) Nebraska—Young (R) Maine

The motion was rejected.

The PRESIDING OFFICER. The Senator from Texas.

AMENDMENTS NOS. 1852 AND 1846 TO AMENDMENT NO. 1618

Mr. CORNYN. Mr. President, I ask unanimous consent that the following amendments be called up and reported by number: Cruz No. 1852, Kaine No. 1846; further, that following disposition of the Kaine amendment, Senator MANCHIN be recognized to offer a motion to commit and that there be 2 minutes of debate, equally divided, prior to a vote on the motion.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

The clerk will report the amendments en bloc by number.

The senior assistant legislative clerk read as follows:

The Senator from Texas [Mr. CORNYN], for others, proposes amendments numbered 1852 and 1846 en bloc. Yes.

The amendments are as follows:

AMENDMENT NO. 1852

(Purpose: To allow limited $29 account funds to be used for elementary and secondary education, including homeschooling) At the end of part IV of title A of title I, insert the following:

"(I) Treatment of Elementary and Secondary Tuition.—Any reference in this subsection to the term ‘qualified higher education expense’ shall include a reference to—

"(A) expenses for tuition in connection with enrollment or attendance at an elementary or secondary public, private, or religious school, and

"(B) expenses for—

"(i) curriculum and curricular materials,

"(ii) books or other instructional materials,

"(iii) online educational materials,

"(iv) tuition for tutoring or educational classes outside of the home (but only if the tutor or instructor is not related to the student),

"(v) dual enrollment in an institution of higher education, and

"(vi) educational therapies for students with disabilities, in connection with a homeschool (whether treated as a homeschool or a private school for purposes of applicable State law)."

(2) Limitation.—Section 529(c)(3)(A) is amended by adding at the end the following:

"The amount of cash distributions from all qualified tuition programs described in subsection (b)(1)(A)(ii) with respect to a beneficiary during any taxable year shall, in the aggregate, include no more than $10,000 (or in excess of $10,000, if in excess of $10,000 as a result of a qualified higher education expense) that is in connection with a qualified higher education expense." The effective date. The amendments made by this subsection shall apply to plan statements made after December 31, 2017.

(1) Modification of Rules Relating to Hardship Withdrawals from Cash or Deferred Arrangements.—Section 401(k)(x) is amended by adding at the end the following:

"(IV) subject to the provisions of paragraph (14), upon hardship of the employee, or ."

(3) Effective Date.—The amendments made by this subsection shall apply to plan years beginning after December 31, 2017.

AMENDMENT NO. 1846

(Purpose: To provide middle class tax relief)

Beginning on page 95, strike line 7 and all that follows through page 97, line 14 and insert the following:

Subtitle B—Permanent Individual Income Tax Relief for Middle Class

SEC. 12001. AMENDMENT OF INCOME TAX BRACKETS.

(a) Married Individuals Filing Joint Returns and Surviving Spouses.—The table contained in subsection (a) of section 1 is amended to read as follows:

If taxable income is: The tax is:

Not over $19,050 ................ $1,905, plus 12% of the excess over $19,050.
Over $19,050 but not over $77,880 .......... $3,907, plus 22% of the excess over $19,050.
Over $77,880 but not over $140,000 .......... $22,679, plus 24% of the excess over $77,880.
Over $140,000 but not over $200,000 .......... $65,879, plus 32% of the excess over $140,000.
Over $200,000 but not over $400,000 .......... $89,477, plus 35% of the excess over $200,000.
Over $400,000 but not over $600,000 .......... $119,496, plus 39.6% of the excess over $400,000.

(b) Heads of Households.—The table contained in subsection (b) of section 1 is amended to read as follows:

If taxable income is: The tax is:

Not over $13,600 ................ $1,360, plus 12% of the excess over $13,600.
Over $13,600 but not over $51,880 ........ $6,328, plus 22% of the excess over $13,600.
Over $51,880 but not over $70,000 .......... $9,941, plus 24% of the excess over $51,880.
Over $70,000 but not over $130,000 .......... $19,794, plus 24% of the excess over $70,000.
Over $130,000 but not over $200,000 .......... $31,548, plus 32% of the excess over $130,000.
Over $200,000 but not over $320,000 .......... $43,350, plus 35% of the excess over $200,000.
Over $320,000 but not over $400,000 .......... $54,272, plus 39.6% of the excess over $320,000.

(c) Unmarried Individuals Other Than Surviving Spouses and Heads of Households.—The table contained in subsection (c) of section 1 is amended to read as follows:

If taxable income is: The tax is:

Not over $9,525 ................ $0.00
Over $9,525 but not over $38,700 .......... $3,690, plus 12% of the excess over $9,525.
Over $38,700 but not over $77,400 .......... $10,905, plus 22% of the excess over $38,700.
Over $77,400 but not over $103,600 ........ $22,679, plus 24% of the excess over $77,400.
Over $103,600 but not over $200,000 .......... $31,548, plus 32% of the excess over $103,600.
Over $200,000 but not over $200,000 .......... $43,350, plus 35% of the excess over $200,000.
Over $200,000 but not over $320,000 .......... $54,272, plus 39.6% of the excess over $200,000.

(d) Married Individuals Filing Separate Returns.—The table contained in subsection (d) of section 1 is amended to read as follows:

If taxable income is: The tax is:

Not over $9,525 ................ $0.00
Over $9,525 but not over $38,700 .......... $3,690, plus 12% of the excess over $9,525.
December 1, 2017

CONGRESSIONAL RECORD — SENATE
S7705

If taxable income is:

Over $30,700 but not over $70,000 .......................... $14,435.50, plus 22% of the excess over $30,700.
Over $70,000 but not over $160,000 ................................. $11,339.50, plus 24% of the excess over $70,000.
Over $160,000 but not over $200,000 .............................. $32,909.50, plus 32% of the excess over $160,000.
Over $200,000 but not over $206,026 .......................... $45,793.50, plus 35% of the excess over $200,000.
Over $206,026 .............................................. $59,748.00, plus 39.6% of the excess over $206,026.

The tax is:

If taxable income is:

Not over $2,550 ........................................ 10% of taxable income.
Over $2,550 but not over $9,150 .............................. $255, plus 24% of the excess over $2,550.
Over $9,150 but not over $12,700 ................................ $1,039, plus 33% of the excess over $9,150.
Over $12,700 .............................................. $2,401.50, plus 36.6% of the excess over $12,700.

(f) INFLATION ADJUSTMENT.—Section 1(f)(2)(A), as amended by this Act, is amended by striking ‘‘1992’’ and inserting ‘‘2017’’.

(e) ESTATES AND TRUSTS.—The table contained in subsection (e) of section 1 is amended to read as follows:

Alexander ................................. Flake ............................... Perdue
Barrasso ................................. Gardner ............................ Portman
Baucus ................................. Grassley ............................ Roberts
Boozman ................................. Hatch ............................... Rounds
Burr ................................. Hatchett ............................. Sc-Fi
Capito ................................. Hoeven .............................. Thune
Cassidy ................................. Inhofe ............................... Tile Barrett
Cochrane ................................. Johnson ............................. Tillis
Curfman ................................. Kennedy .......................... Toomey
Coryn ................................. Kinzinger .......................... Young
Enzi ................................. McConnell .......................... Young
Ernst ................................. Moran ............................... Young
Fischer ................................. Paul .................................  

If taxable income is:

Not over $12,700 ..................... $3,081.50, plus 39.6% of the excess over $12,700.
Not over $2,550 ...................... 10% of taxable income.
Not over $2,550 ....................... $255, plus 24% of the excess over $2,550.
Not over $2,550 ......................... $2,401.50, plus 36.6% of the excess over $2,550.

The yeas and nays resulted—yeas 50, nays 50, as follows:

YEAS—50

Alexander ................................. Flake ............................... Perdue
Barrasso ................................. Gardner ............................ Portman
Baucus ................................. Grassley ............................ Roberts
Boozman ................................. Hatch ............................... Rounds
Burr ................................. Hatchett ............................. Sc-Fi
Capito ................................. Hoeven .............................. Thune
Cassidy ................................. Inhofe ............................... Tile Barrett
Cochrane ................................. Johnson ............................. Tillis
Curfman ................................. Kennedy .......................... Toomey
Coryn ................................. Kinzinger .......................... Young
Enzi ................................. McConnell .......................... Young
Ernst ................................. Moran ............................... Young
Fischer ................................. Paul .................................  

The VICE PRESIDENT. On this vote, the yeas are 50, the nays are 50. The Senate being equally divided, the Vice President votes in the affirmative, and the amendment, No. 1523, is agreed to.

The PRESIDING OFFICER. The PRESIDING OFFICER (Mr. LANKFORD). There will now be 2 minutes of debate, equally divided, prior to a vote on Kaine amendment No. 1546.

Mr. KAINES. Mr. President, may I ask that amendment No. 1546 be called up? The PRESIDING OFFICER. It is already called up.

Mr. KAINES. Thank you, Mr. President.

It is impossible to fix all the problems with this bill in a 1-minute amendment, but my amendment fixes two problems. It makes the middle-class tax cuts permanent, and it takes nearly $1 trillion away from the massive deficit caused by this big giveaway.

How does the amendment do these two things? First, it leaves the AMT where it is under current law instead of scaling it back. Second, while making middle-income tax cuts permanent, it provides no individual tax relief to those Americans currently in the top bracket. Third, it cuts the corporate tax rate from 35 to 25, rather than 20.

The problem with the Republican bill is the priority. It prioritizes the corporate tax cuts over individual tax cuts for middle-class people and that is why we oppose it and that is why everyone should support this amendment. People come first.

The PRESIDING OFFICER. The Senator from Pennsylvania.

Mr. TOOMEY. Mr. President, taking the time in opposition, first, I want to acknowledge that we share the goal of making the individual tax rates permanent, and I hope we will have an opportunity to do that, but, more importantly, we want to thank the Senator from Virginia for acknowledging and complimenting our work, acknowledging that we have cut taxes for working-class and middle-income families.

There are people who came down here during the course of the last couple of days suggesting that somehow wasn’t true. I appreciate your honesty in acknowledging that we did, in fact, cut taxes for middle-income families, for working-class families, so much so in fact, that you want to make our policy permanent, and I commend you for that. Unfortunately, you also added a huge tax increase on the very businesses that are going to help drive our growth.

By lowering our rate to 20 percent, which is what we do in our bill and which you would undermine, we would lose the opportunity to create new businesses, existing business growth, and the wage and job growth we want to drive.

I would suggest we work together on making our individual tax cuts permanent in the future, but I would urge my colleague to oppose this amendment in the current form.

Mr. KAINES. Mr. President, do I have any remaining time?

Mr. SCHUMER. Mr. President, I ask unanimous consent that he be given a minute in opposition.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

Mr. KAINES. Mr. President, I don’t need a full minute. I am just here to say that permanent middle-class tax cuts are more important than 25 to 20 percent for corporations.
The PRESIDING OFFICER. The Senator from Virginia.

Mr. Kaine. Mr. President, I am shocked to learn that at 10 after 12 we are actually following a procedure that is a normal budget procedure, but since that has been raised, 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 pending amendment, and I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There appears to be a sufficient second.

The question is on agreeing to the motion.

The clerk will call the roll.

The legislative clerk called the roll.

The PRESIDING OFFICER. Are there any other Senators in the Chamber desiring to vote?

The yeas and nays resulted—yeas 34, nays 65, as follows: (Rollcall Vote No. 299 Leg.)

YEAS—34

Baldwin
Bennet
Blumenthal
Brown
Cassidy
Cardin
Carper
Casey
Coons
Donnelly
Duckworth
Feinstein

NAYS—65

Alexander
Barrasso
Blunt
Boozman
Burr
Capito
Cassidy
Cochenour
Collins
Corker
Cornyn
Collins
Cortez Masto
Cotton
Crapo
Cruz
Daines
Durbin
Emmer
Fischler
Flake

NOT VOTING—1

Heitkamp

The majority leader, Mr. McConnell, Mr. President, I ask unanimous consent that following the disposition of the motion to commit, the Cantwell amendment No. 1717 be called up and reported by number.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered. MOTION TO COMMIT

Mr. Mankin. Mr. President, I have a motion to commit the motion.

The PRESIDING OFFICER. The clerk will report the motion.

The senior assistant legislative clerk read as follows:

The Senator from West Virginia [Mr. Mankin] moves to commit the bill H.R. 1 to the Committee on Finance with instructions to report the same back to the Senate in 3 days, not counting any day on which the Senate is not in session, with changes that—

(1) are within the jurisdiction of such committee;

(2) make the reductions to individual tax rates for middle class and working people permanent;

(3) would maintain at existing levels—

(A) the medical expense deduction;

(B) the student loan interest deduction;

(C) retiree health care incentives;

(D) homeownership incentives; and

(E) the historic tax credit;

(4) provide small businesses with permanent maximum tax relief and

(5) fully offset the changes described in paragraphs (2) through (4) by setting the corporate tax rate at 25 percent.

Mr. Mankin. Mr. President, I want to thank Senator Heitkamp for her support of this motion.

Our motion would simply send this legislation back to the Senate Finance Committee with instructions to change provisions important to West Virginians.

First, it would call for the reductions on individual tax rates for middle-class and working people to be made permanent. Currently, individuals receive temporary tax relief, if a corporate rate changes are made permanent—a gimmick that provides uncertainty for West Virginia taxpayers and North Dakotans.

Next, it directs the committee to maintain important priorities, such as the medical expense deduction, student loan interest deduction, retirement savings incentives, homeownership incentives, and the historic tax credit.

It is important that we provide this permanent relief to American taxpayers who are slated to see higher taxes as rates go up in the later years of this bill. In my State alone, 79 percent of West Virginians make under $75,000 and will see their taxes spike as their tax relief expires.

Finally, this amendment calls for small businesses to receive much needed relief and for the corporate tax rate to be set at 25 percent. In my State, 95.6 percent of businesses are small businesses and employ over 50 percent of West Virginians.

I urge my colleagues to support sending this bill back to committee and to work in a bipartisan way to pass a fiscally responsible tax reform bill that positions this country to thrive for future generations.

The PRESIDING OFFICER. The Senator from Texas.

Mr. Cornyn. Mr. President, what our friend from West Virginia is proposing is to make the United States uncompetitive in a global economy.

Right now, we have the highest tax rate in the industrialized world and what we are doing is lowering that tax rate to make us competitive and in so doing, taking the advice of Barack Obama in his 2011 State of the Union message; advice from the Democratic Senator from West Virginia; and Senator Wyden, the ranking member of the Finance Committee, who has recommended a lower rate than that contained in this motion to recommit.

We think we should take the advice of President Obama, President Clinton, Senator Schumer, and other prominent Democrats—the advice they have given us over the last few years to lower these corporate rates and make us more competitive so we can bring jobs back home, improve wages, and get the economy growing again so people can pursue their American dreams.

I would encourage our colleagues to defeat this motion to commit.

The PRESIDING OFFICER. The Senator from West Virginia.

Mr. Mankin. If I could just say—

The PRESIDING OFFICER. There is no time remaining.

Mr. Mankin. I ask unanimous consent for an additional 30 seconds.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

Mr. Mankin. Mr. President, a 33 percent decrease from 35 percent to 25 percent is quite substantial. I have not heard of a corporation yet, if you have spoken to any of them, that wouldn’t be tickled to death with 25 percent. That basically sustains that we can help more people. I think it would be great for the economy of the United States of America, and I ask everyone to consider that. It is a most reasonable request.

The PRESIDING OFFICER. The question is on agreeing to the Mankin motion to commit.

Mr. Leahy. I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There appears to be a sufficient second.

The clerk will call the roll.

The senior assistant legislative clerk called the roll.

Mr. Durbin. I announce that the Senator from Rhode Island [Mr. Whitehouse] is necessarily absent.
Republican tax policies will cause.

of 1 percent of the $1.5-trillion-dollar
ous offset to huge deficits in the Re-
changed to address Byrd Rule viola-

heart of the Arctic National Wildlife
North America.

est refuge in our Nation and the last
oil development in the Arctic National
amendment strikes the title requiring
vided.

will be 2 minutes of debate, equally di-

WELL\] proposes an amendment numbered 1717

The amendment is as follows:

AMENDMENT NO. 1717 TO AMENDMENT NO. 1618

The motion was rejected.

The PRESIDING OFFICER. The
clerk will report the Cantwell amend-
ment by number.

The legislative clerk read as follows:

The Senator from Washington (Ms. CANT-
WELL) proposes an amendment numbered 1717
to amendment No. 1618.

The amendment is as follows:

(Purpose: To strike title II)

Strike title II.

The PRESIDING OFFICER. There
will be 2 minutes of debate, equally di-

The Senator from Washington.

Ms. CANTWELL. Mr. President, my amend-
ment strikes the title requiring oil
development in the Arctic National
Wildlife Refuge. This refuge is the larg-
est refuge in our Nation and the last
pristine ecosystem for the Arctic in
North America.

Requiring oil development in the
heart of the Arctic National Wildlife
Refuge should not be in this bill.

Although the bill text has been changed
to address Byrd Rule viola-
tions, the Congressional Budget Office
continues to estimate that it will raise
less than $1 billion over 10 years.

Opening the Arctic National Wildlife
Refuge to oil drilling doesn’t even meet
the $1 billion reconciliation instruc-
tion.

It certainly doesn’t represent a seri-
ous offset to huge deficits in the Repub-
can bill.

To put this in perspective, this rep-
resents less than seven one-hundredths
of 1 percent of the $1.5-trillion-dollar
increase in the national debt that the
Republican tax policies will cause.

Drilling in the Arctic has nothing to
do with serious budgetary policy, but it

has everything to do with evading reg-
ular order to pass something that could
never be enacted on its own.

In addition to drilling in the Arctic
refuge, this bill would sell 7 million
barrels of oil from our Nation’s stra-
tegic petroleum reserve in order to
pay for oil drilling in the Arctic Na-
tional Wildlife Refuge.

It doesn’t make any sense.

The Arctic National Wildlife Refuge
is one of the crown jewels of the na-
tional wildlife refuge system.

The U.S. Fish and Wildlife Service,
which manages the refuge, describes it
as “the only conservation system unit
that protects, in an undisturbed con-
dition, a complete spectrum of the arctic
ecosystems in North America.”

It is home to an incredible diversity
of wildlife: 47 different species of mam-
mals, including polar bears, grizzly
bears, wolves, Dall’s sheep, moose,
musk-ox, and the Porcupine caribou
herd.

The refuge provides important habi-
tat for over 40 species of fish and more
than 200 species of migratory birds
whose lives depend on the Arctic refu-
ge.

The refuge was first established by
the Eisenhower administration. Con-
gress later protected this amazing Arc-
tic ecosystem in 1980. It did so specifi-
cally to protect wildlife and wildlife
habitat in its natural diversity.

The Arctic National Wildlife Refuge
is known as the Last Great Wilderness
and is truly one of our last great wild
places.

But the provisions of this bill turn
the purpose of the Arctic refuge on its
head.

It would make oil and gas develop-
ment on the refuge’s coastal plain one
of the statutory purposes of the wild-
life refuge.

Under this bill, our Nation’s most
pristine national wildlife refuge will
become the only refuge where oil and
gas development is required by law.

It opens up the entire 1.5-million-acre
coastal plain for oil and gas explo-
ration and requires leasing of at least
800,000 acres.

It requires leasing of areas with the
highest oil and gas potential, no mat-
ter the consequences for wildlife or the
environment.

The bill requires that the Arctic Na-
tional Wildlife Refuge be managed as a
petroleum reserve, which is unprece-
dented and undercuts managing the
refuge for wildlife.

The bill includes no clear require-
ments to comply with environmental
laws or to protect wildlife. Its spon-
sors, however, say they are not pre-
empting environmental laws, and that,
in fact, laws like the National Environ-
mental Policy Act will “fully apply.”

Given the assurances that environ-
mental and wildlife refuge laws will
continue to apply, I do not understand
why their bill adds oil development as
a purpose of the Arctic National Wild-
life Refuge.

Adding oil development as a purpose
of the refuge seems contrary to its pri-
mary purpose, which is to protect wild-
life.

What a no-brainer: The purpose of a
wildlife refuge is to protect wildlife.
Refuges must be managed that way.

At every other national wildlife refu-
gue in the country, development within
the refuge is only permitted to the ex-
tent it is compatible with the primary
purpose of the refuge: protecting wild-
life.

But because the bill makes oil and
gas development a refuge purpose, oil
drilling in the refuge will no longer be
subject to a meaningful “compatibility
determination.”

This bill essentially waives one of the
most important management protec-
tions that applies to every other na-
tional wildlife refuge.

They have to do this because they
know that oil and gas isn’t compatible
with protecting wildlife—it is just the
opposite.

This bill does not provide energy se-
curity. There is no prohibition in the
bill against exporting oil from the Arc-
tic refuge. In all likelihood, much of
this oil will end up being exported.

The Republican majority agreed
to include only one amendment during
the Energy Committee’s consideration
of this issue, and that amendment re-
quired the sale of 5 million barrels of
oil from the strategic petroleum re-
serve to give $300 million to the States
of Texas, Louisiana, Mississippi, and
Alabama.

The bill has now been amended to re-
quire the sale of 7 million barrels from
our strategic petroleum reserve.

So at the same time as we are being
told we need to ruin a pristine national
wildlife refuge to drill for more oil, the
very same bill is selling off millions of
barrels out of our strategic oil reserve,
which was used most recently during
this hurricane season to protect Ameri-
cans from gas price spikes.

The impact of oil and gas exploration
in the Arctic National Wildlife Refuge
and the danger to its wildlife cannot be
overstated. The importance of the ref-
uge for wildlife such as polar bears and
caribou have been documented in let-
ters I have received from biologists and
other scientists who have worked in
the Arctic.

I ask unanimous consent that the
letters be printed in the Record.

There being no objection, the mate-
rial was ordered to be printed in the
Record, as follows:

THE JANE GOODALL INSTITUTE,
November 14, 2017.

DEAR UNITED STATES SENATORS: It seems
that each day brings ever more dire news
about what we humans are doing to harm
our planet, the animals that share it with us and, by doing so, harming ourselves also. You have an important opportunity to make a difference both now, and for future generations, by preventing oil development in one of the world’s most spectacular wilderness areas—the Arctic National Wildlife Refuge.

This Refuge is a truly wonderful place—nearly 20 million acres of pristine and ecologically significant habitat. There is compelling scientific evidence as to why it is truly important to protect this place. For one thing, it provides key breeding habitat for the millions-upon-millions of birds that migrate there from six of our planet’s seven continents, including the Porcupine caribou herd. And it is one of the most important denning habitats for polar bears. Moreover, it plays a significant role in helping to protect us from the onslaught of climate change.

But the Arctic National Wildlife Refuge is more than that. Its very existence speaks to our deeply rooted spiritual connection to nature, a necessary element of the human psyche. The Gwich’in people understand this and call the area “The Sacred Place Where Life Begins.”

If we violate the Arctic Refuge by extracting the oil beneath the land, this will have devastating consequences for the Gwich’in and all those who depend upon the caribou, the calves in the 1002 area.

The Porcupine herd is jointly managed between the Alaska Department of Fish and Game (ADFG), the US Fish and Wildlife Service (USFWS), and the Yukon, NWT and Nunavut governments. A comprehensive monitoring and research has been coordinated by the Porcupine Caribou Technical Committee, a group recognized in the International Circum-Arctic Rangifer Monitoring and Assessment (CARMA) Network.

The Porcupine caribou herd is currently managed by larger distances than previously reported. Consequently, the herd is declining at the rate of halving every 100 years. This is true for changing climate by choosing the best habitats that allow the caribou to respond to the global decline.

The Porcupine herd is the largest herd in North America including Alaska and Canada, which has forced more polar bears to den onshore, rather than risk giving birth on unstable ice. In addition to the ANWR’s importance as a wilderness area—the Arctic National Wildlife Refuge coastal plain contains the greatest concentrations of polar bear maternal denning sites because the deterioration of historically stable sea ice has forced more polar bears to den onshore, rather than risk giving birth on unstable ice.

In addition to the ANWR’s importance as a critical denning area for polar bears, the region faces profound impacts from climate change unless we transition away from fossil fuels.

POLAR BEARS INTERNATIONAL

November 28, 2017

Hon. MARIA CANTWELL, Ranking Member, Committee on Energy and Natural Resources, U.S. Senate, Washington, DC.

DEAR SENATOR CANTWELL: I’ve studied polar bears for 37 years—solving many of the mysteries about their life cycle. I led polar bear research in Alaska for 30 years, and my research team at the USGS provided the information that led Interior Secretary Kempthorne to list polar bears as a threatened species. I am currently the chief scientist at Polar Bears International.

I am reaching out today because I’m concerned about the likely impacts on Alaska’s polar bears should the Arctic National Wildlife Refuge be opened to oil and gas development.

The ANWR coastal plain is vitally important to polar bears. Pregnant female polar bears head to this area every fall to create snow dens where they give birth to their young. In fact, the region has higher concentrations of polar bear maternal denning areas on Alaska’s North Slope. In recent years, the ANWR has become even more important as a polar bear denning site because of the deterioration of historically stable sea ice. The Beaufort Sea has forced more polar bears to den onshore, rather than risk giving birth on unstable ice.

In addition to the ANWR’s importance as a critical denning area for polar bears, the region faces profound impacts from climate change unless we transition away from fossil fuels.

We have confirmed that the coastal plain specifically is vital to the biological diversity of the entire refuge. Within the narrow (15-40 miles) coastal plain, there is a unique compression of habitats which concentrates a wide array of wildlife native to the Arctic, including polar bears, wolves, wolverines, caribou, musk oxen, Dolly Varden char, Arctic grizzly, and many species of migratory birds, resulting in the U.S. Fish and Wildlife Service, the Arctic Refuge coastal plain contains the greatest wildlife diversity of any protected area along the Arctic Circle.

In 2003, the National Research Council (NRC) published a report on the “Cumulative Environmental Effects of Oil and Gas Activities on Alaska’s North Slope.” Led by Dr. Gordon Orians, University of Washington, this report was prepared by a panel of prominent scientists following an extensive review of scientific and technical literature and input from experts. It remains the best, most comprehensive synthesis of the effects of oil development on wildlife and the landscape of Arctic Alaska. Among the report’s “major findings” (Chapter 11) are the following:

Three-dimensional seismic surveys require a heavy spatial density of trails. Such seismic exploration can damage vegetation and cause erosion, especially along stream banks.”

The effects of roads, pads, pipelines, and other infrastructure are beyond the physical footprint itself, and the distances at which impacts occur vary with the environmental component affected. Effects on hydrology, vegetation, and animal populations occur at distances up to several kilometers.

“Roads have had effects as far-reaching and complex as any physical component of the North Slope oil fields.”

Sincerely,

JANE GOODALL, DBE, Ph.D., Founder—the Jane Goodall Institute, & UN Messenger of Peace.
Denning polar bears are among the animals that “have been affected by industrial activities on the North Slope.”

Readily available food supplies in the oil fields attract much higher-than-normal densities of predators, which then prey on birds and their eggs and young. The reproductive success of many species in these developed parts of oil fields “has been reduced to the extent that it is insufficient to balance mortality.”

The spread of industrial activity, especially to the east where the coastal plain is narrower than elsewhere (i.e., the Arctic Refuge), “would likely result in reductions in reproduction for caribou.”

Although oilfield technologies continue to improve, the NRC’s findings are still of concern today. Indeed, proposals that would limit the footprint of oil development to 2,000 acres on the coastal plain within the Arctic Refuge are of little value, since those acres are spread too much over much of the coastal plain. This would be especially true if oil reserves are scattered in multiple pockets across the refuge, as is suggested by the U.S. Geological Survey (Fact Sheet 0023-01). Since the effects of industrial activities, starting with seismic surveys, are not limited to the footprint of a structure or to its immediate vicinity, it is highly likely that such activities would result in significant impacts on a variety of wildlife in the refuge’s narrow coastal plain.

Development of another oilfield would further set back efforts to limit the carbon emissions that are fueling the dramatic changes in climate now affecting Alaska. Polar bears are irreplaceable in the coastal plain and nearby waters are designated as critical habitat for polar bears, which are highly vulnerable to disturbance due to oil and gas activities.

The NRC report and subsequent work done in Arctic Alaska strongly indicate that the cumulative impact of many seemingly small changes is significant. New development on the coastal plain of the Arctic Refuge, one of the nation’s and planet’s premier protected areas, further adds to these harmful impacts on wildlife. For all these reasons, we oppose oil and gas exploration, development and regulation on the coastal plain of the Arctic Refuge.

Thank you for your consideration.

Sincerely,


John Coady, Ph.D., Alaska Dept. of Fish & Game (retired), Fairbanks, Alaska; Jack Lentner, M.Sc., U.S. Marine Mammals (retired), Alaska Dept. of Fish & Game (retired), Gustavus, Alaska; Peter G. Connors, Ph.D., Bodega Marine Lab (retired), University of California–Davis, Bodega Bay, California; Joe Liebezeit, M.Sc., Anchorage, Alaska Dept. of Fish & Game (retired), Kailua Kona, Hawaii.

Rosa H. Meshan, Ph.D., U.S. Fish & Wildlife Service (retired), Anchorage, Alaska; Stanley Senner, M.Sc., National Audubon Society, Missoula, Montana; Sterling Miller, Ph.D., Alaska Dept. of Fish & Game (retired), Anchorage, Alaska; M. Oates, M.Sc., Former Refuge Biologist, Arctic NWR, U.S. Fish & Wildlife Service (retired), Burnsville, North Carolina; Kenneth R. Whitten, M.Sc., Alaska Dept. of Fish & Game (retired), Kailua Kona, Hawaii; Martha White, Ph.D., Professor Emeritus, University of Montana, Missoula, Montana; Nathan Senner, Ph.D., University of Montana, Missoula, Montana; Steve Zack, Ph.D., Wildlife Conservation Society (retired) Portland, Oregon.

Ms. CANTWELL. The Arctic Refuge’s coastal plain waters are designated as critical habitat for polar bears, which were designated as a threatened species under the Endangered Species Act in 2008. Female polar bears head to this area every fall to give birth—and those who rely on this herd—would be quite significant.

Do you know what Webster’s definition of stewardship is? The careful and responsible management of something entrusted to one’s care. Since 1960, under President Eisenhower, this iconic refuge has been protected. Tonight, unless you help strike this, you will be joining the ranks of those that believe in polluting a wildlife refuge, and you will be joining an administration that I guarantee you is going to go down in history as getting an F in stewardship.

The Arctic National Wildlife Refuge is too special and important; it is one of the crown jewels of the National Wildlife Refuge System. It should not destroy this pristine landscape and allow it to be turned into an oil field.

I want to remind my colleagues of the words of the great environmentalist Olaus Murie.

After decades of scientific exploration in Alaska, Olaus testified in the Senate in 1959 in support of creating the Arctic refuge.

He said, “We long for something more, something that has a mental, a spiritual impact on us. This idealism, more than anything else, will set us apart as a nation striving for something worthwhile in the universe.”

It is setting what we are doing today, colleagues, is just the opposite. We are striving for short-term gains.

In a hundred years, when the economic effects of this tax bill are long forgotten, we will still bear the blame for letting go of something worthwhile in the universe.”

We didn’t create the Arctic coastal plain, and we cannot recreate, but we can surely destroy it.

I urge my colleagues to oppose sacrificing the Arctic National Wildlife Refuge, and to support removing this provision from the bill.

I yield the floor.

Mr. SANDERS. Mr. President, I would like to enter into the Congressional Record the scores produced by the Congressional Budget Office for section 20001 as it appears in Senate amendment 1618; and the score of section 20061 as it appears in Senate amendment 1855.

In Senate amendment 1618, CBO estimates that opening the coastal plain for oil and gas leasing and managing it in accordance with requirements of the Naval Petroleum Reserves Production Act of 1976 (including regulations) will result in net Federal receipts of $1992 million from 2018 through 2027.

In Senate amendment 1855, CBO estimates that significant lease sales “in a manner similar to the administration of leases under the Naval Petroleum Reserves Production Act of 1976 (including regulations)” will result in net...
Federal receipts of $910 million from 2018 through 2027, a decrease of $182 million compared to the language in Senate amendment 1618.

I ask unanimous consent that the following CBO tables be printed in the Record.

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

**CONGRESSIONAL BUDGET OFFICE.**

**U.S. CONGRESS.**

**Washington, DC, November 8, 2017.**

Hon. Lisa Murkowski,
Chairman, Committee on Energy,
U.S. Senate, Washington, DC.

Dear Madam Chairman: The Congressional Budget Office has prepared the enclosed cost estimate for a Legislative Proposal Related to the Arctic National Wildlife Refuge.

The legislation would direct the Secretary of the Interior to implement an oil and gas leasing program for the coastal plain of the Arctic National Wildlife Refuge (ANWR). Based on information provided by the Department of the Interior (DOI), the Energy Information Administration (EIA), and individuals working in the oil and gas industry, CBO estimates that implementing the legislation would increase net offsetting receipts, which are treated as reductions in direct spending, by about $1.1 billion over the 2018–2027 period.

Because enacting the legislation would affect direct spending pay-as-you-go procedures apply. Enacting the legislation would not affect revenues.

CBO estimates that enacting legislation would not increase net direct spending or on-budget deficits in any of the four consecutive 10-year periods beginning in 2028.

The legislation contains no intergovernmental or private-sector mandates as defined in the Unfunded Mandates Reform Act (UMRA).

**ESTIMATED COST TO THE FEDERAL GOVERNMENT**

The estimated budgetary impact of the legislation is shown in the following table. The costs of this legislation fall within budget functions 300 (natural resources and environment) and 800 (general government).

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<td>Estimated Budget Authority</td>
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<td>725</td>
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<td>−757</td>
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<tr>
<td>Estimated Outlays</td>
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Components may not sum to totals because of rounding.

CBO estimates that implementing the legislation would also cost about $10 million over the 2018–2022 period, assuming the availability of appropriated funds, for environmental reviews and the administrative costs of conducting the lease sales.

**BASIS OF ESTIMATE**

For this estimate, CBO assumes that the legislation will be enacted near the end of 2017 and that the funds necessary to implement the legislation would be available.

**Description of the Legislation**

The legislation would direct the Secretary of the Interior to implement an oil and gas leasing program for lands located within the coastal plain of ANWR, which includes about 1.5 million acres of federal land on the north-east coast of Alaska. Under current law, activities related to oil and gas leasing in ANWR are prohibited.

The legislation would require the Secretary to hold two lease sales over a seven-year period following enactment and to offer at least 400,000 acres of land in ANWR for lease at each sale. Any lease sales in ANWR would be carried out in accordance with procedures used to conduct oil and gas leasing within the National Petroleum Reserve in Alaska. For each lease awarded, lessees would pay the federal government bonus bids to acquire the leases, annual rent to retain the leases, and royalties based on the value of any oil or gas production from the leases.

The legislation would establish a 16.67 percent royalty on oil and gas produced in ANWR. Under current law, the federal government charges royalties of 12.5 percent for oil and gas produced onshore and 18.75 percent for oil and gas produced in the Outer Continental Shelf. Finally, under the legislation, Alaska would receive one-half of the gross proceeds generated from the leasing program.

**Spending Subject to Appropriation**

CBO estimates that implementing the legislation would cost $10 million over the 2018–2022 period for environmental reviews and administrative costs associated with the leasing program subject to the availability of appropriated funds. Based on information provided by the Government Accountability Office, we estimate that completing the environmental reviews required under the National Environmental Policy Act would cost $2 million. In addition, CBO estimates that other implementation costs would total between $1 million and $2 million per year over that period.

**Direct Spending**

CBO estimates that implementing the legislation would increase net offsetting receipts by about $1.1 billion over the 2018–2027 period.

**Bonus Bids**

CBO estimates that gross proceeds from bonus bids paid for the right to develop leases in ANWR would total $2.3 billion over the 2018–2027 period. That estimate is based on historical information about oil and gas leasing in the United States and on information from DOI, EIA, and individuals working in the oil and gas industry about factors that affect the amounts that companies are willing to pay to acquire oil and gas leases. In addition, CBO relied on estimates prepared by the United States Geological Survey of the amount of oil that might be produced from the coastal plain of ANWR. As specified in the legislation, one-half of all receipts from leases in ANWR would be paid to Alaska, leaving net federal receipts totaling $1.1 billion over the 2018–2027 period. Estimates of bonus bids for leases in ANWR are uncertain. Potential bidders might make assumptions that are different from CBO’s, including assumptions about long-term oil prices, production costs, the amount of oil and gas resources in ANWR, and alternative investment opportunities. In particular, oil companies have other domestic and overseas investment options that they would evaluate and compare with potential investments in ANWR. The potential profitability for a wide range of such global investment options would probably be a significant factor in prospective bidders’ ultimate choices of how much to bid for ANWR leases. The number of factors that affect companies’ investment decisions result in a wide range of estimates for bonus bids. CBO’s estimate reflects our best estimate of the midpoint of that range.

Other Receipts. In addition to receipts from bonus bids, CBO estimates that the federal government would collect net receipts from rental payments totaling about $2 million over the 2018–2027 period. (Lease holders make an annual rental payment until production begins.) CBO also estimates that the federal government would receive royalty payments on oil produced from ANWR leases; however, based on information from EIA regarding the typical amount of time necessary to drill exploratory wells, complete production plans, and build the necessary infrastructure to produce and transport any oil produced in ANWR, CBO expects that no significant royalty payments would be made until after 2027.

**PAY-AS-YOU-GO CONSIDERATIONS**

The Statutory Pay-As-You-Go Act of 2010 establishes budget-reporting and enforce-ment procedures for legislation affecting direct spending or revenues. The net changes in outlays that are subject to those pay-as-you-go procedures are shown in the following table.

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<tbody>
<tr>
<td>Statutory Pay-As-You-Go Impact</td>
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<td>−757</td>
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CBO Estimate of Pay-As-You-Go Effects for the Legislative Proposal Related to the Arctic National Wildlife Refuge

December 1, 2017
Ms. MURKOWSKI. Mr. President, I strongly oppose this motion to strike. This is our opportunity to provide jobs, to create revenues and resources, and to protect an environment that as Alaskans we know how to protect. We are seeking with this energy title to develop 2,000 acres out of 19.3 million acres, one ten-thousandths of all of ANWR, and we are seeking to do it with a smaller, limited footprint, using the technologies that have become available over the decades that we have been seeking to advance these opportunities—opportunities for Alaska, opportunities for the Nation.

I would implore colleagues. For 40 years now we have been looking for the opportunity to best protect our long-term energy and national security. This is our chance.

The pending amendment No. 1717 would cause the underlying legislation to exceed the Energy and Natural Resources Committee’s section 302(a) location of new budget authority or outlays. Therefore, I raise a point of order against this measure pursuant to section 302(f) of the Congressional Budget Act of 1974.

Ms. CANTWELL. 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 pending amendment, and I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There appears to be a sufficient second.

The question is on agreeing to the motion.

The clerk will call the roll.

The legislative clerk called the roll.

The yeas and nays resulted—yeas 48, nays 52, as follows:

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<thead>
<tr>
<th>[Rollcall Vote No. 301 Leg.]</th>
<th>YEAS—48</th>
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<td>Baldwin</td>
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The PRESIDING OFFICER. On this vote, the yeas are 48, the nays are 52. Three-fifths of the Senators duly chosen and sworn not having voted in the affirmative, the motion is rejected.

The point of order is sustained and the amendment falls.

A vote against this amendment is a vote for fair treatment of a school with powerful friends and for subsidizing discrimination. A vote for my amendment is a vote to strike down such an earmark, a vote for fair treatment of schools, and a vote against discrimination, and I urge you to voteaye.

The PRESIDING OFFICER. The Senator from Pennsylvania.

Mr. TOOMEY. Mr. President, Hillsdale College has been unfairly maligned—on the Senate floor. The fact is, Hillsdale College was the first college in America to prohibit in its charter any discrimination based on race, religion, or sex and was an early force in the abolition of slavery.

But it is not really about Hillsdale college, exclusively. This is a broader idea. The idea here, and it is in this amendment, is that for any college that chooses to forgo Federal funding for its students—chooses not to be a burden on the taxpayers that way—it is reasonable for us to respond by sparing that college a tax on the endowment fund that is.

Now there are colleges, a number of colleges, including one in Pennsylvania, that choose this mode. They
would prefer to have the freedom to operate as they see fit rather than have to deal with Federal regulations, and I suspect that is a big part of what the real problem is on the other side of the aisle. But, folks, I think it is a perfectly reasonable proposition that if a college chooses to forgo the very substantial funds available to it from Federal taxpayers, it is OK to say that it will be exempt from this endowment. So I urge my colleagues to vote no on the amendment.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

Mr. MERKLEY. I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There appears to be a sufficient second.

The clerk will call the roll.

The senior assistant legislative clerk called the roll.

The result was announced—yeas 52, nays 49, as follows:

[Rollcall Vote No. 302 Leg.]

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The amendment (No. 1856) was agreed to.

The PRESIDING OFFICER. The majority leader.

Mr. MCCONNELL. Colleagues, we are moving now to final passage.

I know of no further amendments to the bill.

AMENDMENT NO. 1618, AS AMENDED

The PRESIDING OFFICER. There will be 2 minutes of debate on amendment No. 1618, as amended.

Mr. MCCONNELL. Mr. President, I yield back our time.

The PRESIDING OFFICER. All time is yielded back for the majority.

Mr. SCHUMER. Mr. President, I yield back.

The PRESIDING OFFICER. All time is yielded back.

The question is on agreeing to the amendment.

The amendment (No. 1618), as amended, was agreed to.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time.

The PRESIDING OFFICER. There will now be 2 minutes of debate prior to the vote on H.R. 1.

The Senator from Oregon.

Mr. WYDEN. Mr. President, millions of Americans must be watching in stunned disbelief tonight as the Republican Senate betrays the middle class for the benefit of faceless, multinational corporations.

Colleagues, how many middle-class families need to see their hard-earned pay snatched away in tax hikes before these corporate handouts are no longer worth it? How many more Americans need to see their jobs shipped overseas before corporate paymasters no longer call the shots? How many Americans need to lose their healthcare or see their premiums shoot sky-high before this is stopped?

What is happening tonight is the worst of the U.S. Senate. There is a trail of broken promises—broken promises to working families in the mad dash to pass this bill. The American people understand this is the first step of continuing attacks on Medicare, on Medicaid, and on Social Security. This vote will not be forgotten.

I yield the floor.

The PRESIDING OFFICER. The majority leader.

Mr. MCCONNELL. Mr. President, I yield back the time on this side.

The PRESIDING OFFICER. The bill having been read the third time, the question is, Shall the bill pass?

Mr. MCCONNELL. Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There appears to be a sufficient second.

The clerk will call the roll.

The legislative clerk called the roll.

The result was announced—yeas 51, nays 49, as follows:

[Rollcall Vote No. 303 Leg.]

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<td>Nielsen</td>
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The bill (H.R. 1), as amended, was passed.

The VICE PRESIDENT. The Tax Cuts and Jobs Act, as amended, is passed.

(Applause, Senators rising.)

The PRESIDING OFFICER (Mr. PERDUE). The majority leader.

EXECUTIVE SESSION

EXECUTIVE CALENDAR

Mr. MCCONNELL. Mr. President, I move to proceed to executive session to consider Calendar No. 495, Kirstjen Nielsen.

The PRESIDING OFFICER. The question is on agreeing to the motion.

The motion was agreed to.

The PRESIDING OFFICER. The clerk will report the nomination.

The senior assistant legislative clerk read the nomination of Kirstjen Nielsen, of Virginia, to be Secretary of Homeland Security.

CLOTURE MOTION

Mr. MCCONNELL. Mr. President, I send a cloture motion to the desk.

The PRESIDING OFFICER. The cloture motion having been presented under rule XXII, the Chair directs the clerk to read the motion.

The senior assistant legislative clerk read as follows:

CLOTURE MOTION

We, the undersigned Senators, in accordance with the provisions of rule XXII of the Standing Rules of the Senate, do hereby move to bring to a close debate on the nomination of Kirstjen Nielsen, of Virginia, to be Secretary of Homeland Security.


Mr. MCCONNELL. Mr. President, I ask unanimous consent that the mandatory quorum call for the cloture motion be waived.

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

Mr. MCCONNELL. Mr. President, I ask unanimous consent that notwithstanding rule XXII, the Senate vote on this cloture motion at 5:30 p.m. on Monday, December 4.

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

The PRESIDING OFFICER. The Senator from Wyoming.

TAX CUTS AND JOBS BILL

Mr. ENZI. Mr. President, earlier this week, I said it was historic that we began the consideration of the Tax Cuts and Jobs Act. Today is even more
Chairman HATCH organized five bipartisan groups to propose changes to the Tax Code. I was party to those groups, which made many recommendations that have informed this package. I would say that those working groups were also bipartisan.

While I don’t sit on the Energy Committee, I understand that Chairman MURKOWSKI led a similarly robust process. The issue of oil and gas exploration and development in the Arctic National Wildlife Refuge has been an issue since before I was a Senator. We have been considering and debating the matter for years. This year alone, Senator MURKOWSKI has introduced a bill, held a hearing, and then marked up legislation on this issue. Now the bill that is a product of the Finance and Energy Committee’s efforts is on the floor.

We have not bypassed committees. We have not filled the tree. We have not cut off debate by filing cloture, which was a common practice in recent years. I think this is as open and transparent a process as I have seen in many years, and I appreciate the leader, I appreciate Chairman Hatch, and I appreciate Chairman Murkowski for their work to make that happen.

I also want to thank my Budget Committee staff for their work on this bill. In particular, I want to thank my staff director, Betsy McDonnell, who has done a remarkable job shepherding both the budget resolution and reconciliation bill through the committee and on the floor. She has been new to that position. She has been in a number of positions in the Senate that trained her well to be able to do that, and she did a marvelous job.

I also want to thank her team: Matt Giroux, Paul Vinovich, Becky Cole, Thomas Burke, Timon Cook, Joe Brenchle, Jim Nelll, Steve Robinson, Greg D’Angelo, Tom Borck, Rick Berger, Jeremy Dalrymple, David Ditch, Susan Eckerly, Alison McGuire, Will Morris, Steve Townsend, Kelsie Wendelberger, and Eric Ueland.

I would also mention the personal staff who worked hard on the tax provisions in this package and kept all of my other issues going at the same time. Particularly, I want to thank Bart Massey, who is a CPA and who has been my special person to work on these finance issues with me for more than 3 years.

I also want to thank Tara Shaw, my chief of staff, who had to put together a brand new staff because a lot of good people I had worked with to this point left the administration and to the Budget Committee. She did a marvelous job on that.

Landon Stropko is the legislative director, and he has coordinated well. I thank Liz Schartz, Natalia Riggin, Katelyn Butler, Charlie Carroll, Shawna Newsome, Garnett Decosimo, Chris Lydon, Aron Wehr, Dylan Mitchell, Coy Knobel, Max D’Onofrio, Rachel Vliem, and the rest of my Wyoming team that worked out in Wyoming collectively and did an amazing job and worked out there while we got this work done.

I thank the Budget Committee’s bipartisan staff: Kim Proctor, Katie Smith, George Woodall, Grace Bruno, and Kevin Walsh, as well as Celina Inman, who has been on loan to us from the Government Publishing Office.

We have also been supported by the great work of our leadership, the floor, and the in-house staff. Specific thanks are owed to Sharon Soderstrom, Hazen Marshall, Jane Lee, Brandon Dunn in the leader’s office, Monica Popp, John Chapuis, Emily Kirlin, Sam Beaver, Jody Wright, and Noah McCullough in the whip’s office and especially Laura Dove, who coordinates all of this activity on the floor and who knows the rules backward and forward and is able to give good advice—some very definite advice sometimes but always helpful advice—and Robert Duncan, Chris Tuck, Megan Mercer, Tony Hanagan, Mike Smith, Katherine Kilroy, and Chloe Barz in the cloakroom.

I would really be remiss if we didn’t thank the Senate Parliamentarian, Elizabeth MacDonough, and her team: Leigh Hilderbrand, Michael Beaver, and Allison Markoski. Reconciliation bills are subject to special rules and procedures, and I know they have given up a lot of their nights and their weekends, and much of their regular job time, to work in detail on this product. People wouldn’t even realize the file cabinets full of precedents that they have to search through as they listen to both sides make cases about what can and can’t be in a budget reconciliation bill.

There are also many other staffers who deserve to be thanked for their work on this product, including the entire Finance and Energy Committee staffs, but in the interest of time, I will just say that I appreciate them and look forward to working with all of them to help finish enacting this bill that will benefit hard-working Americans and make our economy and country stronger.

Mr. President, I yield the floor.

Mr. HATCH. Mr. President, with passage of this bill, we are another step closer to providing real tax relief to the middle class and providing a much-needed boost to our economy.

Today’s events have been years in the making. This has been my chief legislative focus for many years, and it has been a priority for many of my colleagues as well, including some that are no longer serving. I am talking, of course, about people like Dave Camp and Senator Max Baucus, who did a lot to move this effort forward. I feel gratified to have been here and to have worked with my colleagues to get this far.

As efforts this year began earnest, we set out to give low- and middle-income Americans some much-needed relief and to give our country an opportunity to compete in the global economy.

This bill will do that. With passage of this bill, American families will have bigger paychecks and better wages. Our employers will have more favorable conditions to invest in expansion, grow their businesses, and create more jobs right here in the United States.

So many people both in and out of Congress have worked hard to get us to this point, and I want to express my appreciation for their efforts. Of course, I can’t thank everyone in a single floor speech, but I do want to thank some who may be within earshot at the moment.

First and foremost, I want to thank the members of the Senate Finance Committee, who put in countless days, weeks, and months in preparing this legislation and helping to get it passed. All of our majority members contributed greatly to this process, and I am most grateful.

I want to thank the distinguished majority leader who also did so much to secure the details of the bill and shepherd it through the Senate.

I want to thank Chairman BRADY and Speaker RYAN over in the House of Representatives. They, too, have been great partners in this effort.

Of course, I need to thank Secretary Mnuchin and Director Cohn for their commitment to this effort and their help in getting it done.

I want to thank the staff of the Finance Committee, who have done so much of the heavy lifting here. I need to single out Mark Prater, my chief tax counsel, who has served the committee.
for decades now and whose knowledge and expertise on these matters is recognized by everyone here and pretty much everyone everywhere else. Thank you, as well, to the rest of my committee tax staff: Jennifer Acuna, Tony Coughlan, Christopher Hanna, Alex Moncrief, Eric Oming, Marty Pippins, Preston Rutledge, and Nick Wyatt.

I need to thank my staff director, Jay Khosla, who quarterbacked the staff through this whole ordeal and who has spent many years with me as we have tried the groundwork and started construction on this undertaking. I want to thank the other members of my senior team as well, including Matt Hoffman, Jeff Wrae, Julia Lawless, Jennifer Kuskowski, Chris Armstrong, and Bryan Hickman. I need to thank the communications staff on the committee: Katie Niederee, Nicole Hager, and Joshua Blume.

I also need to thank a couple of former staff members, Chris Campbell, my former staff director, worked for years on this effort, and while, he is now at Treasury, I am sure he is celebrating on his own today. I would also like to give a thank you to Jim Lyons, my tax counsel who, unfortunately, passed away a little over a year ago. He contributed greatly to this effort for a number of years, and his steady presence has definitely been missed.

Beyond my own staff, I want to thank the tax legislative assistants from each of the committee members who helped to craft this bill, namely, Chris Allen, Sam Beaver, Joseph Boddicker, Chris Conlin, Shay Hawkins, Randy Herndon, Bart Massey, Monica McGuire, Mike Quickel, Zachary Rudisill, Andrew Siracuse, Robert Snoedek, Derek Theurer, and Mark Warren, all of whom did an outstanding job in helping us to produce this bill.

I also want to thank the committee’s legislative directors: Charles Cooper, Ken Flanz, Chris Gillott, Brad Grantz, Amber Kirchhofer, Kurt Kovarik, Jessica McBride, Sarah Paul, Landon Stropko, Jay Sulzmann, Stephen Tausend, Pam Thiessen, and Christopher Toppings.

I also need to thank the staff from the leader’s office, including Brendan Dunn, Antonia Ferrier, Hazen Marshall, Erica Suares, Terry Van Doren, Don Stewart, and Jane Lee.

This process has been a joint effort with our friends on the Budget Committee, and I need to thank Senator Enzi, once again, for his leadership on that committee to give us the reconciliation instruction that made this possible. Additionally, I would like to thank my legislative assistants of his staff, including: Joe Brenckle, Jim Neill, Betsy McDonnell, Matt Giroux, Paul Vinovich, Becky Cole, Eric Ueland, Thomas Fueller, and the rest of the Budget Committee team.

Other bodies deserve our thanks as well. Tom Barthold and his team at the Joint Committee on Taxation made themselves available at all hours to help us get the bill written and ready to pass. As did the staff at the legislative counsel’s office, led by Mark McQuaid and Jim Fransen and their whole team and those who work with Elizabeth McQuaid in the Parliamentarian’s office.

There are too many people to thank in a single floor speech, but, I am very grateful for the countless individuals who have in this endeavor over the years. We are not there yet, but we are getting closer.

I look forward to moving this effort through the next steps and to working with my colleagues on other challenges that lie ahead.

THE PRESIDING OFFICER. The Senator from Wyoming.

EXECUTIVE CALENDAR

Mr. ENZI. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Executive Calendar Nos. 510 through 522 and all nominations placed on the Secretary’s desk: that the nominations be confirmed, the motions to reconsider be considered made and laid upon the table with no intervening action or debate; that no further motions be in order; that any statements related to the nominations be printed in the RECORD; that the President be immediately notified of the Senate’s action and the Senate then resume legislative session.

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

The nominations considered and confirmed en bloc are as follows:

IN THE ARMY

The following named officers for appointment in the United States Army under title 10, U.S.C., section 624:

To be brigadier general

Col. Douglas F. Stitt

To be major general


IN THE NAVY

The following named officer for appointment in the United States Navy to the grade indicated under title 10, U.S.C., section 624:

To be rear admiral (lower half)

Capt. Michael E. Boyle

To be vice admiral

Rear Adm. Lisa M. Franchetti

IN THE AIR FORCE

The following named officer for appointment in the Reserve of the Air Force to the grade indicated under title 10, U.S.C., section 12203:

To be major general


To be major general

Brig. Gen. Jose O. Schmit

The following named officer for appointment in the Reserve of the Air Force to the grade indicated under title 10, U.S.C., section 12203:

To be brigadier general

Col. John M. Breazeale

Col. Damon S. Feltman

Col. Anne B. Gunter

Col. Scheid P. Hodges

Col. Richard L. Kemble

Col. Tanya R. Kubinec

Col. Eric C. Novak

Col. Jeffrey T. Pennington

Col. John N. Tree

Col. Aaron G. Vangelisti

Col. William W. Whittmeyer, Jr.

Col. Christopher F. Yancy

The following named Air National Guard of the United States officers for appointment in the Reserve of the Air Force to the grade indicated under title 10, U.S.C., sections 12203 and 12212:

To be brigadier general

Col. Steven J. deMilliano

Col. Christopher E. Finerty

The following named Air National Guard of the United States officers for appointment in the Reserve of the Air Force to the grade indicated under title 10, U.S.C., sections 12203 and 12212:

To be brigadier general

Col. Michele K. LaMontagne

Col. Michael J. Regan, Jr.

The following named Air National Guard of the United States officers for appointment in the Reserve of the Air Force to the grade indicated under title 10, U.S.C., sections 12203 and 12212:

To be brigadier general

Col. Travis K. Acheson

Col. Barry A. Blanchard

Col. Michael A. Borkowski

Col. Michael T. Butler

Col. Michael A. Cooper

Col. Monique J. DeSpain

Col. Matthew D. Dimmore

Col. Teresa S. Edwards

Col. Emmanuel J. Haidopoulos

Col. Charles G. Jeffries

Col. Gregory W. Lair

Col. Jeffrey W. Magram

Col. James C. McEachen

Col. Maurice M. McKinney

Col. Suellen Overton

Col. Gregg A. Perez

Col. Mark D. Piper

Col. James P. Rowlett

Col. Michael D. Sproul

Col. Christian L. Stewart

Col. David W. Walter

Col. Terry L. Williams

Col. Shanna L. Woyak

Col. John M. Breazeale

Col. Erich C. Novak

Col. Richard L. Kemble

Col. Scheid P. Hodges

Col. Anne B. Gunter

Col. Damon S. Feltman

Col. William W. Whittmeyer, Jr.

Col. Jeffrey T. Pennington

Col. John N. Tree

Col. Aaron G. Vangelisti

Col. William W. Whittmeyer, Jr.

Col. Christopher F. Yancy

Col. Jeffery D. Young

Col. Frank Y. Yang

Col. Shanna M. Woyak

Col. Terry L. Williams

Col. David W. Walter

Col. Christan L. Stewart

Col. Michael D. Sproul

Col. Christian L. Stewart

Col. David W. Walter

Col. Terry L. Williams

Col. Shanna L. Woyak

Col. Frank Y. Yang

Col. Jeffrey D. Young

The following named Air National Guard of the United States officers for appointment in the Reserve of the Air Force to the grade indicated under title 10, U.S.C., section 12203:

To be brigadier general

Brig. Gen. Onitra L. Berry

Brig. Gen. Samuel W. Black

Brig. Gen. William D. Bunch

Brig. Gen. Joseph S. Chisolm

Brig. Gen. Thomas B. Cucchi

Brig. Gen. Gary L. Dunn

Brig. Gen. Jerry L. Fenwick

Brig. Gen. Dawn M. Ferrel