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Senate

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

PRAYER

The Chaplain, Dr. Barry C. Black, offered the following prayer:

Let us pray.

O God, our Father, help us this day to love and serve one another in ways that honor Your Name.

May our lawmakers manifest a courtesy that brings about constructive change. Grant our Senators a tolerance so that they may not be quick to condemn ideas that differ from their own. Lord, give them such integrity so that their work may be their best whether there is anyone to see it or not.

Bless and keep us all. Shine Your wisdom upon us, doing for us more than we can ask or imagine.

We pray in Your great Name. Amen.

PLEDGE OF ALLEGIANCE

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.

RECOGNITION OF THE MAJORITY LEADER

The PRESIDING OFFICER (Mr. SASSE). The majority leader is recognized.

NOMINATIONS

Mr. McCONNELL. Mr. President, as we all know, the Senate has been quite busy. Legislatively, we have been hard at work on everything from budgets, to disaster relief, to consumer protections, to tax reform.

On the nominations front, we have taken strong action to strengthen the judiciary, including confirming a slate

of very-well-qualified nominees in recent days. This week, we are continuing our work to staff up the rest of the government as well. This is one of the Senate's most important functions and one we take seriously.

We are currently considering men and women who have been nominated to serve in many different roles at many different agencies. The one thing they all share in common is this: They are ready to get to work, and the sooner we confirm them, the sooner they can get on the job for our country.

First, we will vote to confirm John Gibson as Deputy Chief Management Officer at the Department of Defense. He will be responsible for increasing efficiency throughout the Department's business operations.

Afterward, the Senate will continue its consideration of Steven Engel, who will, as I discussed yesterday, serve as the Deputy Attorney General in the Department of Justice Office of Legal Counsel.

The next nomination we will consider is that of Peter Robb to serve as the General Counsel of the National Labor Relations Board.

For most of its 80-year existence, the NLRB has had the important responsibility of supporting stable labor relations by acting as a fair and impartial umpire in the resolution of labor disputes. Unfortunately, that changed under the previous administration, which wielded its Board majority as an anti-worker political cudgel at the behest of special interests and union bosses. Instead of the Board's historic commitment to impartially applying the law, the NLRB's Obama-appointed Democratic majority put forward policies that diminished the rights of employees, hurt small businesses, and rewarded entrenched political elites at the expense of workers and the middle class.

Thankfully, this Senate recently confirmed a new majority to the NLRB that is already beginning to undo the

damage of the past 8 years. Now we have the opportunity to build upon that good work with the nomination of Mr. Robb.

The NLRB's General Counsel is responsible for investigating cases of unfair labor practices and for advancing cases before the Board and its members. Mr. Robb will fulfill these duties under the aegis of a new Board majority that is returning the NLRB to its true mission once more.

Labor policy is not simply some theoretical abstraction for Mr. Robb; he knows what it means to work as a hospital orderly or a construction worker, welder, truckdriver, forklift operator, or highway sign maker because he himself has worked in all of those jobs before. After law school, Robb gained valuable experience in employment law. His previous leadership roles, including as an NLRB regional field attorney and chief counsel to a Board member, contribute to making Robb an ideal candidate to serve as the Board's General Counsel.

I look forward to voting to advance this nomination, and I urge my colleagues to join me in helping restore the NLRB to the neutral umpire of labor disputes it was meant to be.

TAX REFORM

Mr. McCONNELL. Mr. President, on another matter, our complex Tax Code is in desperate need of reform, and we now have a once-in-a-generation opportunity to overhaul it. We all want an economy that reaches for its full potential again. We all want to support small businesses and the middle class. Tax reform represents the single most important action we can take today to advance goals such as these.

I have heard from many Kentuckians calling out for relief from our outdated and burdensome Tax Code. Listen to this small business owner from Murray, KY, who wrote to my office about his struggles under our current Tax Code. This is what he said:

● This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.



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I am writing to stress the importance of tax reform for small businesses. As a small business owner, I have been saddle[d] with tax burdens since I began my business over 8 years ago. Tax reform for small business and families need[s] to be done immediately [so] we can have some economic hope once again.

Small businesses just like this one are calling out for relief. So are families. So are middle-class workers all across our country. Instead of better opportunities, our Tax Code gives them a complicated web of schedules, deductions, and regulations, a byzantine system that is easy for the wealthy and well-connected to exploit and impossible for almost anyone else to understand. It is time for a system that actually helps the middle class succeed and actually encourages small businesses to grow, invest, and hire.

We want to help families plan for their future. We want to get the economy going again and growing again. Most of all, we want to take more money out of Washington's pockets and put more money in the pockets of the middle class. To accomplish these goals, both the House and the Senate are continuing to move forward to deliver tax reform. Yesterday, the House Ways and Means Committee completed its first day of discussing the House legislative proposal unveiled last week. That bill, the Tax Cuts and Jobs Act, builds upon the unified tax reform framework and reflects goals shared by President Trump, Republicans in the House, and our conference here in the Senate—priorities shared by Americans of both parties all across our country.

Later this morning, a group of Senators, administration officials, and tax reform advocates will highlight the benefits of relief for families, small businesses, and the American economy. They will share their constituents' calls for tax reform.

As they do, the Senate Finance Committee will continue its work on this important issue as well. Chairman HATCH will continue to lead the committee through an open process, giving members the opportunity to provide their input, offer amendments, and work together to take another big step forward.

I am grateful for the work of both Chairman BRADY and Chairman HATCH to get us to this point. We still have a lot of work to do, but we are committed to passing tax reform to help our Nation's economy reach its full potential.

RESERVATION OF LEADER TIME

The PRESIDING OFFICER. Under the previous order, the leadership time is reserved.

MORNING BUSINESS

The PRESIDING OFFICER. Under the previous order, the Senate will be in a period of morning business for debate only until 11 a.m., with Senators permitted to speak therein.

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

The PRESIDING OFFICER. The clerk will call the roll.

The senior assistant legislative clerk proceeded to call the roll.

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

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

RECOGNITION OF THE MINORITY LEADER

The PRESIDING OFFICER. The Democratic leader is recognized.

REPUBLICAN TAX PLAN

Mr. SCHUMER. Mr. President, later this week, the House will begin marking up the Republican tax plan in record speed, with no hearings, no real discussion. Unfortunately, Senate Republicans are mimicking the House in trying to rush through their bill as well. It is said, the Senate Republicans will unveil a plan of their own, although I don't expect there to be that much difference between the two.

What has united the Republican tax reform efforts so far in this Congress has been a stubborn desire to reduce taxes paid by big corporations and the superrich. That is the core. The middle class ends up with the leftovers. Shockingly, millions in the middle class will actually see a tax increase, not just a handful but a large number. This morning's New York Times did an analysis. According to them, one-third of all middle-class families would pay more in taxes next year under the House bill, and by 2026, nearly half of all middle-class families would pay more in taxes—almost half.

Here is the newspaper article. This is the New York Times. They defined the middle class as households between \$50,000 and \$160,000—the backbone of America. Here is their headline. I don't know if you can see it. "Republican Plan Would Raise Taxes on Millions of Middle-Class Families." Here is the headline again printed a little larger so everyone here in America can see it. "Republican Plan Would Raise Taxes on Millions of Middle-Class Families."

That is the case. They did their analysis. By the way, you say: Well, that is mainly in the coastal States. No. Even if it is not one-third, it is probably about 20 percent in the poorest of States. Large numbers of middle-class taxpayers in every State in this Union—coastal, noncoastal, New York, California but also Wyoming, Utah, and Nebraska—would pay a significant tax increase.

Looking at the House bill, you can see why. Republicans either reduce or eliminate several middle-class tax deductions. The elimination of the personal deduction, for example, which lets families deduct roughly \$4,150 for each person in the household, would be costly to families of three or more. If you have a lot of kids, this bill is bad for you. Taxwise—if tax policy influences behavior—they are trying to dis-

courage bigger families. What does that say? Ending the personal exemption makes the Republican tax plan an anti-large family bill.

In many cases, the new benefits provided to the middle class are insufficient to fill the gap created by the loss of popular deductions, and, worse, many of the benefits are temporary, expiring after several years. So while some in the middle class may get an initial tax break, down the line, the break disappears, and taxes start to go up.

As pointed out by David Kamin, a professor of tax law at NYU—and they have a great tax department, proudly from New York—Republicans have reduced the value of middle-class tax breaks significantly over time.

To meet their desires not to increase the deficit by too much—although \$1.5 trillion is a heck of a lot—instead of reducing the tax breaks on the biggest corporations or the very wealthiest, they reduced them on the middle class. So in 5 years' time, the \$300/person family credit is gone. The child tax credits—unlike the personal exemptions they replaced—lose value over time because they are not indexed. They only increase with inflation. The Republicans use the same gimmicks to make the value of middle-class deductions, like the standard deduction, lose value over time.

So while some middle-class families may see a tax decrease in the very short run, a considerable number see a hidden tax increase a few years later. They have front-loaded the benefits to disguise a tax hike in the outyears.

Look at this chart. Now, our Republican colleagues picked the perfect family to benefit from their tax break. This middle-class family, when they proposed it, is a family making \$59,000 a year. Well, the Institute for Taxation and Economic Policy looked at the Republican plan and found over one in five taxpayers, those earning between \$56,000 and \$150,000—the heart of the middle class—would see an average increase of \$1,350 by 2027. Here it is. This is not a family who has medical expenses or kids in college—they lose those deductions—or a large mortgage or from a State with high personal income and sales taxes. This is the plain-vanilla, hand-picked family chosen by the Republicans to highlight the benefits of their plan.

It is true. In the first year, they get a break around \$1,100, but over the years, they get an increase. By 2027, even this hand-picked Republican family gets a tax increase. The bottom line is, the Republican tax plan is like a ticking timebomb for many hard-working, middle-class families. Working middle-class families see a tax increase because the Republican plan reduces their benefits over time.

Meanwhile, tax giveaways for the wealthiest Americans and huge corporations get better over time. The estate tax exemption goes up from \$11