about the moral and social and political issues of the day. That is a big win for free speech and a big win for them.

This bill is also a big win for American families. Let me give you a few examples of important features of how this helps the family in this country. The adoption tax credit has been restored. This is section 1102 of the bill. Now, this is a critically important thing to advance the policy, to advance and encourage and incentivize adoption in this country. This is something that all of us should agree on.

Over 60 percent of adopted children are adopted by middle- and low-income taxpayers in this country. Almost half of the children adopted from foster care live in families with household incomes at or below 200 percent of the Federal poverty level.

Listen to this statistic: a study reported by the Federal Children's Bureau showed that the government saves between $65,000 and $127,000 for each child who is adopted rather than placed in long-term foster care.

Studies comparing children who remain in foster care to children who are adopted show that adopted children are 54 percent less likely to be delinquent or arrested, 19 percent less likely to become teen parents, and 76 percent more likely to be employed.

Can we all agree that the adoption tax credit being restored is an important part of this bill?

I think we can.

Here is another way it helps families, Mr. Speaker: the family tax credits. This is something that everybody back home should pay attention to. The child tax credit, section 1202 of the bill, this increases the child tax credit, as I mentioned a moment ago, from $1,000 per child to $1,600 per child. It provides a credit of $300 for each parent and nonchild dependent to help all families with their everyday expenses.

The child dependent care tax credit helps families care for their children and other dependents, such as a disabled grandparent who may need additional support.

Here is another feature: unborn children are recognized in the 529 education savings account provisions of the Tax Code. Our tax reform bill allows a 529 education savings account to be opened, for the first time, for an unborn child or a child in utero. We recognize the humanity and the sanctity of life of the unborn child.

Here is another feature: the marriage penalties are finally removed. For too long, we have effectively penalized married couples in this country simply for being married. Our Tax Cuts and Jobs Act changes that. In most cases, married couples will no longer be penalized just for their choice to be married.

Mr. Speaker, I will close with just a few more remarks. A lot has been said here tonight, more will be said in the morning preceding our vote, but this is a big day for Congress and a big day for the country.

It has been over 30 years since we last updated our tax system. For reference, I was in the eighth grade the last time tax reform was accomplished in this Chamber. Many of those entering the workforce weren't even born yet the last time Congress fulfilled this responsibility.

Today, Americans are struggling to make ends meet, to find decent-paying jobs, and to prepare for retirement.

We must do right by our children and our grandchildren and give them a better future than our own. Fortunately, my Republican colleagues and I have put forth a framework to do just that.

We have discussed for the last few hours in this Chamber as we have been talking that our plan will create more jobs, fairer taxes, and bigger paychecks for working class Americans and small businesses.

When businessowners are able to keep more of their profits, they will invest that money in their companies and in their employees, and that will spur economic growth, because they will expand their facilities, they will create and expand new product lines, they will add more jobs, and that is good for all of us.

Passing meaningful tax reform isn't about sticker shock talking points that we have heard so much about. It is about real everyday Americans who want to grow their businesses, offer better wages to their employees, provide for their families, but who have struggled to do so because of our oppressive and outdated tax policy.

Our plan puts Americans first and it offers real relief to those who need it most.

The Federal Tax Code today is more than 70,000 pages long. For context, that is more than 60 times longer than the King James Bible, and it contains none of the Good News.

It is time to simplify this Code and it is time to unleash the free market in our American economy again. We have that chance. This will be the biggest Christmas gift to the American people in over 3 decades. It is truly historic and it is long overdue.

Mr. Speaker, we urge our colleagues on both sides of the aisle to vote for the Tax Cuts and Jobs Act on this floor tomorrow. Let's make history together. Let's do right by the American people.

Mr. Speaker, I yield back the balance of my time.

CONSEQUENCES OF PASSING THE REPUBLICANS' TAX PLAN

The SPEAKER pro tempore (Mr. COMER). Under the Speaker's announced policy of January 3, 2017, the gentleman from Massachusetts (Mr. NEAL) is recognized for 60 minutes as the designee of the minority leader.

Mr. NEAL. Mr. Speaker, tomorrow we are going to be asked to cast perhaps one of the most important votes that will take place in a career here in the House based on the tax plan that the Republicans have put forward.

I say history is important, because this vote is likely to have consequences for years and years and years to come.

As I noted earlier tonight, as we look at a million new veterans from the wars in Afghanistan and Iraq who deserve our care, for those of us who represent soldiers' homes and hospitals for the VA, we know just how important this is.

We know what happens to Alzheimer's patients who are going to lose the deduction on healthcare. We know what is going to happen to those students who currently write off parts of their student loans through interest deductions. We know the assessed tax that is going to go on places like the University of Notre Dame and others. We also understand that the homeowner deduction, the mortgage interest deduction, which is a huge middle class benefit, is about to be taken away arbitrarily.

State and local taxes, in some cases sales taxes, are about to be abolished all based upon the premise of maybe there will be enough economic growth.

There is no evidence, based on the tax cuts of 2001 and 2003 or the repatriation that took place in 2004, that any of this is accurate, but they continue to proceed.

The next part of the challenge is they have now substituted the old supply side economics theory—remember tax cuts pay for themselves—and they have come up with a new term, and the new term that they have come up with is ''dynamic scoring.''

So we have the challenge of technology, we have the challenge of globalization, and, yes, we have the challenge of skill set across America to move people into a direction of employment where they and their skills might be aligned with the jobs that are open, because the Department of Labor this week said there are 6 million jobs in America that go unanswered, 18,000 precision manufacturing jobs in New England that go unanswered, and 1 million tech jobs.

□ 2000

So we should be using this opportunity to invest in vocational education; we should be using it to invest in internship programs; and, yes, we should be using it to invest in community colleges. So part of this discussion should be based on, again, the historic vote of long-term investment.

Now, we also know that is unlikely to happen because, when people have a chance to look at these distribution tables on these tax cuts as to who gets what, they are going to be furious.

Mr. Speaker, I yield to the gentleman from Napa, California (Mr. THOMPSON), and then the gentleman from Connecticut (Mr. LARSON) will be acknowledged right after that.

Mr. THOMPSON of California. Mr. Speaker, I thank the gentleman for yielding.

It is not often that I come down and participate in these Special Orders, but

I have got to tell you I was in my office watching the previous speakers, and I started to get a little queasy from the spin that they were providing from the floor, talking about what they say this bill will do. I can tell you that there were a lot of inaccuracies in some of the things that they were trying to convince the American people that they would benefit from this.

As Mr. NEAL said, this bill, this vote, is an important vote. This is going to be around a long time. Numerous speakers today have mentioned the fact that the last time we did major tax reform, a major tax overhaul, was over 30 years ago. So if that is any indication, we are going to be living with the consequences of this bill for a long time, and I don't think those consequences are anything to be proud of.

We heard repeatedly that this bill is not going to help at all the wealthiest people in the country, and you just can't help but laugh.

The last speaker came out and stated that this does away with the alternative minimum tax. The alternative minimum tax was put in place to ensure that the wealthiest of taxpayers actually pay taxes because they were able to escape paying taxes, so that is why the alternative minimum tax came into play. They are the ones who pay this tax, so if you do away with it, I don't see how you can, with a straight face, say that this doesn't help wealthy Americans.

Inheritance tax was talked about a lot. As a matter of fact, it was a very dishonest discussion. They kept referring to it as the ''death tax.'' We have heard this ad nauseam. We heard it in committee. We hear it on the floor. We have heard it for the past few years. This has been a very clever campaign on the other side's part to discredit the inheritance tax.

If you open the Code, the Tax Code, there is nothing in the Code that says the death tax. It doesn't exist. It is not real. It is made up. It is fiction.

We heard some very compelling arguments about how farmers will lose their farms if they don't do away with the death tax. There is no such thing as a death tax.

We heard repeatedly that, after somebody dies, it is unfair to make them pay taxes. I am here to tell you, after you die, you will never have to pay taxes.

The inheritance tax refers to inherited wealth. If I inherit money from my parents, then I am taxed on that wealth that I inherit. And there is a provision in the law that says the first $11 million doesn't get touched, so it has got to be a pretty huge estate before you even pay any taxes on it.

If there was all this concern about losing the family farm, then the Republicans should have taken up my bill, a bill that I have had for a number of years with absolutely no support from the Republican side of the aisle, that says, if you inherit the family farm or a family business and you continue to farm it or you continue to run the business, you are deferred from paying any inheritance tax. Now, if you inherit it and sell it and take the money and move to a beach in Hawaii, then you would pay a tax on that inherited wealth.

So this is subterfuge, at best. It is dishonesty, at worst.

The last speaker said that American families are big winners in this bill. Well, I don't know whose American family he was talking about.

Mr. NEAL was right when he said American families had a chance to be big winners if we had used this opportunity to invest in workers, invest in training, invest in community colleges, create jobs, create opportunities, build this tax reform from the middle class, the working class out.

But, instead, we didn't do that. We didn't even talk about it. We didn't talk about it because we didn't have a single hearing on one of the most important bills that we will cast a vote on in our time in Congress. We didn't hear from one expert witness.

They dropped this bill, written in secret. As a matter of fact, many of our Republican colleagues were complaining that they didn't get a chance to see what was in the bill. They dropped this on us at the last minute.

We could have worked with them. We could have addressed some of these issues. We could have figured out how to invest in the American worker. We could have figured out how to make investments that created jobs. But, no, we didn't get to do that because we didn't have any hearings. It was written in the middle of the night, in a dark room someplace way out of our wheelhouse.

They said they had to do this because the Tax Code was too big, and I agree with them. I think it is too big. I think it does need to be reformed.

But the fact of the matter is, and Joint Tax testified on this, if their bill is passed and signed into law, it won't do away with a single chapter of the Tax Code, but, instead, it will add one more to it. So this is literally making the Tax Code bigger.

And I want to know who those American families are who some of my colleagues on the other side of the aisle claim will be helped by this, because this is what I see in reading this and reading the analyses from different experts.

If someone in your family has Alzheimer's, you will pay more because they are going to take away the medical expense deduction that you now can take advantage of.

Low-income folks with kids, you are going to pay more when you are excluded from the child tax credit.

If you are a teacher, dedicated to your students and to their well-being and you take money out of your own pocket to buy pencils, supplies, and things for your classroom, today you get a deduction for that because we know how important education is. But under this bill, you will pay more because they are taking that deduction away, too.

We just heard from a veteran on the other side who said how great this is for veterans. Well, let me tell you, if you are a veteran and you get your duty station reassigned and you have to go someplace else and the house you have to sell in your first duty station, if you haven't lived in it for 8 years, you are going to be taxed on any profit from that. So if you are a veteran and you get transferred, you are not going to benefit from this. You are going to lose.

Do you have a student loan? And we all know how expensive those are these days. If you do, you are going to pay more because they are taking away your ability to deduct the interest payment on your student loan.

Do you own a home? If you do, you will pay more when they limit the mortgage deduction, mortgage interest deduction.

By the way, as we heard in committee during the markup on this bill, this could actually decrease the value of your home by 10 percent. Now, tell me how that helps working class, middle class families to say, all that money that you have been saving by buying your home, we are going to take 10 percent away from the value of that? That certainly doesn't create a big win for American families.

Are you in the middle class, that big win for American families, those middle class families? Because the analysis says that 36 million middle class families are going to see a tax hike in this bill.

Do you deduct your State and local taxes? Well, if you do, you are going to pay more because you are going to lose that deduction, too.

Do you care about infrastructure investments in your community?

I had a visit yesterday from the head of the San Francisco airport. He came in because of this bill. I don't represent San Francisco, but he came in to see me because I am a member of this committee, and he knew we were going to be taking this bill up.

They have a tremendous amount of infrastructure investment pending. They do it with the bonds that will be disallowed under this bill, the same, similar type of action that they are going to do in regard to low-income housing.

In my State, we need housing badly, and we are able to build low-income housing by using those bonds that are made available in our Tax Code. That goes away. That hurts homes. That hurts people who want to move into homes.

And I will tell you, in my district, it is a particularly raw subject right now because in one of my counties, Sonoma County, we had a 2 percent vacancy rate in residential housing about a month ago. And about a month ago now, we had the worst fire in California history. In Sonoma County, it wiped out 5 percent of the residential housing stock. There were about 9,000 homes, total, in the fire that were destroyed, homes in Sonoma, homes in Napa, homes in Lake, homes in Mendocino, homes in Butte, homes down in southern California, and that just further deteriorated the housing shortage problem that we face. So to take away ability to construct new, low-income housing hurts.

But I think what hurt even more is, in this bill, they took away the ability for individuals and families, those middle class families that they are talking about helping, they took away their ability to write off their losses due to a disaster.

Mr. LARSON of Connecticut. Will the gentleman yield?

Mr. NEAL. I yield to the gentleman.

Mr. LARSON of Connecticut. How did they do that?

Mr. THOMPSON of California. I don't know how they did that. I don't know why they would do that.

Mr. LARSON of Connecticut. Why would they do that? In the face of these fires and in the face of so many in California understanding that impact, why is it that they did this?

Mr. THOMPSON of California. Well, that is—I wish I could say that is the $64 million question, but, sadly, it is going to cost taxpayers a lot more than $64 million when all is said and done. It is a mystery to me.

I asked the chairman, who wrote the bill, during the committee markup, why he would do that, and he had no response. He said: Well, we are going to fix it. We are going to make it better.

Mr. LARSON of Connecticut. Were there any hearings?

Mr. THOMPSON of California. There were no hearings.

Mr. LARSON of Connecticut. So there have been no hearings.

Mr. THOMPSON of California. No hearings, and they didn't fix it.

Mr. LARSON of Connecticut. They didn't fix it. And yet here we are, on the verge of voting on a bill that will impact 100 percent of the economy and 100 percent of the Tax Code.

No hearings?

Mr. THOMPSON of California. No hearings.

Mr. LARSON of Connecticut. Mr. NEAL, you suggested in the process, at the outset, that this was a missed opportunity, and then you went back and gave a historic tutorial on how we got here.

How is it that we got here and arrived here with no public hearings and no expert testimony?

Mr. NEAL. The summary of this tax bill was published last Thursday. We did a walk-through on Monday. We only had a chance to respond to the bill, or the chairman's mark on Friday. And then on Monday, we did a walk-through. Tuesday, Wednesday, and Thursday morning, we did the markup. Not one hearing.

And recall that, in the last moments of the markup, we were handed a manager's amendment. We had 20 minutes to react to the manager's amendment, so no hearings.

And compare that with 1986, which everybody heralds now, as the great moment of Reagan and O'Neill and Rostenkowski and Gephardt and Bradley, 450 witnesses, 30 public hearings. The Secretary of the Treasury sat through the markup.

Mr. LARSON of Connecticut. In your history of serving on this committee—and we are joined by Mr. LEVIN and Mr. KIND and Mr. WELCH.

And, Mr. LEVIN, I have to ask you this, too. In your serving on this committee, has there ever been a bill of this magnitude or proportion that has been brought out without a public hearing, without expert witnesses?

Mr. THOMPSON had a raging fire in his district that we heard him, from his own lips, what it did and how it devastated Sonoma and Napa Valley, and no hearings. Is there a precedent for this?

Mr. NEAL. I yield to the gentleman from Michigan (Mr. LEVIN).

□ 2015

Mr. LEVIN. I don't think so. Mr. NEAL has spelled out, and you have, the atrocious approach here. So I think we can sum it up. The process has been terrible. The product is worse. That is what happens when you have a very terrible process, you get a frightfully bad product.

Mr. NEAL. Mr. Speaker, I yield to the gentleman.

Mr. LARSON of Connecticut. Mr. Speaker, Mr. KIND stood up earlier and talked about the fact that the other side, who claim to be deficit hawks, all of a sudden, they are an endangered species.

I don't know if the gentleman from Wisconsin wants to expand upon that and further ask the gentleman from California.

Mr. NEAL. Mr. Speaker, I yield to the gentleman.

Mr. THOMPSON of California. Mr. Speaker, let me just thank the gentleman for drawing attention to the terrible fires that did so much damage in my home State, and the fact that they took the deduction for these types of disasters away from the American people. But I don't want anybody to think it is just about fires, nor is it just about my State.

They took away this provision in the Tax Code for anybody who has a disaster from now on. If it is a mudslide, an earthquake, a fire, any disaster, you will not be able to claim that deduction.

And to add insult to injury, the chairman grandfathered in the hurricane victims in his own district.

I will just say one more thing. If this isn't all bad enough, everybody should know that all of these costs that we have talked about are bad enough, but there is one cost in here that is crippling, and it is crippling to our children and our grandchildren, and that is the fact that this bill is not paid for, and it adds $2.3 trillion—that is trillion with a T—to our national debt, and that is going to be passed right along to our children, right along to our grandchildren, and that is going to hurt us in the years to come.

Mr. NEAL. Mr. Speaker, I yield to the gentleman.

Mr. LARSON of Connecticut. Mr. Speaker, could I just ask for the gentleman to clarify something?

You said earlier that you came down here, and you rarely come down here. This is a Special Order. The reason that you are here, the reason that Mr. DAVIS is here, Mr. WELCH, Mr. LEVIN, and reason that Mr. NEAL, Mr. KIND, and myself are all here is because we haven't had the opportunity to have a hearing and have expert witnesses.

Have you had any expert witness?

Mr. NEAL. Mr. Speaker, I yield to the gentleman.

Mr. THOMPSON of California. Mr. Speaker, there have been no hearings on this bill, there have been no expert witnesses. The only help that we have gotten are from the outside organizations and the universities that crunched these numbers to be able to give us some glimpse of what is going to happen and the benefit of some analysis from the Joint Tax staff, but there have been no hearings, there have been no experts, nobody from our district who lives and breathes this, no one from our districts who are going to be impacted by this.

This was done from the top down and crammed through in the most bastardized system that I have ever seen in my years here.

Mr. NEAL. Mr. Speaker, I yield to the gentleman from Wisconsin (Mr. KIND).

Mr. KIND. Mr. Speaker, I think my good friend and colleague from California is raising a very important point, and it is a point that all of us here this evening on the Ways and Means Committee, with the leadership of Mr. NEAL from Massachusetts, have been raising for some time.

Doing tax reform right is tough. There are a lot of moving pieces to it, and there are a lot of traps and unintended consequences if you do it the wrong way. Not having one hearing, not having proper vetting, not taking the time to listen to people back home in our respective States and districts about the consequences of something that is going to affect every American life in this country is legislative malpractice, and that is what we are on the verge of committing leading up to tomorrow's vote.

My friend from California mentioned the $2.3 trillion in additional debt over the next 10 years by the time you add in the interest payments and how devastating that will be, and it is happening at the wrong time.

I mean, we might have gotten away with that with the 1981 tax cuts that weren't paid for back then because there was a little bit of time to recover from a big fiscal mistake, and from 2001, 2003. We have run out of time as a nation, with 70 million baby boomers beginning their massive retirement, 10,000 a day joining Social Security and Medicare.

But their entire theory is premised on the fact that over two-thirds of the tax cut will be going to large corporations under their bill of this illusory growth that is going to come from it. Part of that is based on this tax holiday, they call it deemed repatriation, where these multinational companies are going to be able to bring dollars back into America at a much lower rate and supposedly reinvesting here that is going to promote growth.

But there was a recent survey by Bank of America and Merrill Lynch of 300 executives of some of the largest U.S. multinational companies asking them what they would do with this deemed repatriated money coming back to the country. Their number one response was paying down debt. Reinvesting in their company, reinvesting in research and development, investing in more jobs and good-paying jobs barely registered in that survey.

But this should not come as a surprise. It is not like we haven't been down this road before. We tried a repatriation bill back in the early 2000s, where these companies were able to bring back a ton of money, and what they used it for was dividend give-outs and stock buybacks. Yet they are refusing to learn the lessons of the past and going on this theory of an illusory growth that none of the major economists see under this tax bill, and it is a huge fiscal gamble that I think is going to leave us in the same place as the 2001 and 2003 tax cuts, which was one of the worst decades when it came to job growth in our country.

Mr. NEAL. Mr. Speaker, I yield to the gentleman.

Mr. THOMPSON of California. The gentleman is absolutely correct. Thank you for pointing that out.

Mr. NEAL. I yield to Mr. DAVIS to talk about historic tax credits. I know Mr. LIPINSKI is here from Chicago as well to talk about new markets, and then we can talk, as Mr. KIND did, about the retirement crisis that is coming, and we can just yield back and forth to make sure that people understand the totality of what is being asked in this legislation.

Mr. Speaker, I yield to the gentleman.

Mr. DANNY K. DAVIS of Illinois. Mr. Speaker, I thank Mr. NEAL for not only yielding to me, but for the tremendous leadership that he has provided throughout this process.

Mr. Speaker, as I listen, there is no doubt in my mind that the vote we will take tomorrow is going to be one of the most important votes that I will ever take as a Member of Congress. It is important because I know that it will affect, in one way or the other, every citizen of this country.

As I listened to the debate over the last 2 days, I know that America is at a great crossroads, and that we can either go forward or we can go backwards.

We can go forward into a new era of job creation, supporting education for all, and keeping the greatest level of healthcare that this country has ever known.

Or we can go backwards, backwards with Marie Antoinette-type tax policy that takes opportunity and bread from the middle class, and then say: Let them eat cake.

Or we can go forward with a more equitable tax plan, one that promotes infrastructure protection and development by keeping the provisions for State and local deductions, which everybody knows will create jobs, jobs, and jobs.

We can go forward by making sure that the access we currently have to quality healthcare will continue.

I hear many people talking about what we will get from H.R. 1, what I call the Republican Marie Antoinette tax bill.

But let me just mention some of what we will not get that we already have. Teachers will not get the ability to write off the $250 that they spend out of their pockets for materials and supplies for their students. Students will lose $65 billion in Federal funds to help make college more affordable. Senior citizens, as we have already heard, with Alzheimer's will lose the ability to write off high medical costs. Student loan interest can no longer be used.

Cities like mine; like Philadelphia; like Detroit; like Gary, Indiana; cities all over the country will not be able to make use of the new market tax credits to rebuild slum and blighted areas.

Many of those areas have been laying fallow for 50 and 60 years, where there used to be thriving communities. Historical buildings will be left standing because the tax credits to restore them will no longer be available, losing the opportunity to create jobs and work opportunities for people who are unemployed.

Under the bill, any way that you cut it, the middle class will lose and the special interests and the wealthy will again win.

I know that we are again being sold the idea of what I call trickle-down economics. Feed those at the top, and crumbs will trickle down to all the rest of society, even though study after study has shown that this does not work. It is nothing more than a theory, far from any basis of truth.

I think that we have no choice. When I hear these kinds of discussions, I think of all kinds of things. But I guess what I think most is something that Billie Holiday wrote and sang. She said: ''Momma may have, papa may have, but God bless the child that has got his own.'' And she said: ''Rich relations give crusts of bread and such. You can help yourself, but don't take too much.''

So if you are waiting for something to trickle down, you better remember what she said: '' . . . God bless the child that has got his own.''

One thing that each one of us has is the ability to vote, and I will vote tomorrow. And I will make sure that when I vote, I will vote to represent the thousands and thousands of middle class families who need to have hope, who need to have faith, and who need to believe that when we sing the song ''My Country, 'Tis of Thee,'' that we are singing about them, too.

Mr. Speaker, I thank Mr. NEAL for yielding.

Mr. NEAL. I yield to the gentleman from Wisconsin (Mr. KIND).

Mr. KIND. I appreciate the remarks of my friend from Chicago. He represents a large urban district. I represent a large rural district in Wisconsin. He may be a Bears fan, and I might be a Packers fan, but one thing we agree on is this a bill of goods for both of our constituencies.

I am especially concerned about the economic impact in the large rural congressional district that I represent where production agriculture is still an important part of our economy.

Some of the changes that they are making are going to be devastating to family farmers. They are taking away the 199 tax deduction, which is as important for our domestic manufacturers as it is for our family farmers.

If you want to grow things and invent things and create things, make things in America, the 199 has a proven track record of making it easier for our farmers and manufacturers to do it. Under their bill, that goes away.

That operating loss carryback, which is important for a lot of farmers in order to recoup some of the losses that they have experienced in their business, it goes away.

Like-kind exchanges for property and heavy machinery in farm country goes away. A lot of my farmers are operating on a margin right now. I am concerned about the impact this is going to have on the rural economy and our family farmers with what they are proposing.

You don't have to be from a city or from a rural district to understand that, again, the work wasn't put into this bill to understand the real consequences of what they are asking for. It is not too late. We can still regroup and work in the bipartisan fashion that tax reform was meant to occur and figure out a way to truly simplify, make us more competitive, but make it fair for working families, small businesses, and family farmers in all of our districts, rather than this rush to judgment just so they can score a political win before the end of the year.

□ 2030

So I think the points that my friend from Chicago raised are very valid, and it is something that I would hope all of us would heed before we reach our final decision tomorrow morning.

Mr. DANNY K. DAVIS of Illinois. Mr. Speaker, the one thing that I like about the Packers is that the people own them.

Mr. KIND. Amen.

Mr. NEAL. Mr. Speaker, forgive me for being from New England. I will leave that alone.

Mr. Speaker, I yield to the gentleman from Connecticut (Mr. LARSON).

Mr. LARSON of Connecticut. Mr. Speaker, I thank the gentleman for his leadership on this committee and also for the tutorial that he gave us earlier today about how we got to this spot.

I think it is important because, for most Americans listening out there, what you are witnessing is the tyranny of the majority. What I mean by that is, when the minority doesn't get an opportunity to bring forth witnesses, to have hearings—and you heard Mr. NEAL talk about the more than 30 hearings in the committee, the more than 12 subcommittee hearings, the 450-plus experts that we never got to hear from—you understand the position that we find ourselves in.

As I said earlier, this impacts 100 percent of our economy and 100 percent of our people. We all swear an oath of allegiance to the Constitution, but apparently on the other side, they swear an oath of allegiance to Grover Norquist because that is more important than fulfilling our constitutional responsibility and going through regular order and having the experts.

It is more important to take a pledge to Mr. Norquist and pass something politically in as pure a bare-knuckle way as you possibly can without any amendments being made in order and rushing the bill to the floor in haste, without any concern for the ramifications that it has other than fulfilling a pledge to Mr. Norquist, and also a pledge, as we have heard from some of their Members, to their donor base.

That is what has frustrated us on this side of the aisle. I think Mr. NEAL said it very clearly, we had a missed opportunity here. Mr. KIND mentioned that we still have that opportunity. If there are enough people on that side of the aisle—and we know there are. We know regionally, as Mr. KING and Mr. ZELDIN have said, that this tax bill represents the greatest shift that we have seen in wealth in this country from the middle class of the Northeast and West Coast to the rest of the country.

It is unconscionable that this would take place under the guise of trying to say that you are providing middle class tax relief.

I went to the commissioner of revenue services in the State of Connecticut and asked: How will this impact our citizens? It represents an increase in taxes for the middle class, not this so-called tax cut that the other side has perpetrated.

I want to point out this claw that exists within here. Because even for those States, red State or blue State, where you think you might receive a de minimis tax cut today, it is clawed back within 5 years because they put something in the Code, commonly referred to as a ''chained CPI.'' And that has dire ramifications.

Mr. LEVIN. Will the gentleman yield?

Mr. NEAL. I yield to the gentleman from Michigan.

Mr. LEVIN. Mr. Speaker, I wanted to ask you to yield just at this moment. The gentleman talked about a tax cut for the middle class. The problem with this terrible process is there isn't time enough to challenge those who say something that is false. I just want to read again what the Speaker said relating to your point.

He said this: ''The focus is on middle class tax relief. The focus is on directing that tax relief to the people in the middle and the people who are trying to get there.''

This bill is the opposite. As we discussed with our ranking member at the markup, and we challenged it, the Joint Tax said to us: Well, I think—and we will show this to you—that there are going to be millions of people in the middle class who, in subsequent years, will have their taxes increased, not decreased. Millions.

When we asked about the passthrough—picking up on the gentleman's point about the middle class—he pointed to tables which showed that the vast majority of the moneys that are going to go through passthroughs, that are going to get some tax help, the vast majority are for very wealthy people. While we don't have the final figures, it is likely that 85 to 90 percent is going to go to the very wealthy.

I think so much of what they have said is so untrue. They say that necessity is the mother of invention. In this case, necessity, their political necessity, has been the mother of deception.

Mr. NEAL. Mr. Speaker, I continue to yield to the gentleman from Connecticut.

Mr. LARSON of Connecticut. Mr. Speaker, I thank the gentleman from Michigan. He is absolutely right.

I want to also point out that we did ask Mr. Barthold, the Chief of Staff for the Joint Committee on Taxation, about this tax and what its ramifications are. I asked him: Will this fall unevenly as we have seen across the Northeast and as we have seen across the West Coast?

The response was: It is not possible to say that in all cases—meaning all 50 States—that these taxpayers will have lower total income tax liability under H.R. 1 than under the present law.

Why?

Because they are not going to be allowed to take the deductions they normally get. In the State of Connecticut, 41 percent of our citizens utilize and itemize their deductions under the code that they have been able to do since 1913 and its inception.

Why is this important?

Well, we have heard Mr. BRADY say—after everyone gets up and speaks, he talks about what is going on in their district in an overgeneralized manner.

So I asked Joint Tax: What would it be for a couple in West Hartford with a child in college?

They own a home and have a combined income of $125,000. Under the Republican plan, they would see a $767 tax increase in 2018, and they would see more than a $1,667 tax increase in 2023, when the family credit expires, a point Mr. NEAL has made repeatedly.

Tax cuts are made permanent for corporations and the wealthy. The wealthy get the alternative minimum tax and they get the estate tax and they are made permanent. For those of you who may think you are even going to get a tax cut, the Norquist clawback provision, under something we referred to as ''chained CPI,'' takes it away after the fifth year.

So we find ourselves in this god-awful position without public hearings and without the ability to call expert witnesses and to only have a back-and-forth between Democrats and Republicans.

The Republicans need a political win. That is probably true. But who really needs to win here are the American people. The American people expect more of us. That is why this is a loss possibility and why we ought to be regrouping and taking this back up, because, as Mr. KIND says, there still is time.

How can you turn your backs on your fellow Republicans in New York, in New Jersey, in Pennsylvania? How can you do this to these people without any kind of public hearing or public witnesses or experts to talk about what the calamity will be? How about their commissioners of revenue services coming in and going over and examining just how these taxes will impact on them?

That is not going to happen, unfortunately. This is being jammed down our throats.

Mr. NEAL. Mr. Speaker, I want to ask Mr. WELCH, who made it to Vermont via Springfield, who has a longstanding interest in higher education—maybe he could talk about parts of Vermont that are very rural and also link it to that whole notion of higher education in the State of Vermont.

Mr. Speaker, I yield to the gentleman from Vermont (Mr. WELCH).

Mr. WELCH. Mr. Speaker, I would be glad to. Just by way of introduction, I thank the ranking member for his leadership.

As the gentleman said, the biggest challenge we face in this country—and it is not a Democrat or Republican issue—is that wages have been stagnant for Americans for 20 years. They haven't had a pay raise. That is a huge challenge because the American Dream has always been premised on the fact that our parents have made an economy that has provided more opportunity for their kids.

Wages are flat. America hasn't had a pay raise in 20 years. So the fundamental question for me on a tax bill is whether that tax bill will increase opportunity for hardworking Americans. And it doesn't matter where they are from, rural or urban. It doesn't matter what their race is. It doesn't matter what their gender or their sexual orientation is. Most Americans want to work and they want to take care of the people they love and they want to have an opportunity.

This tax bill comes up real short. By the way, I want to be somewhat self-critical of the Democrats. We haven't been where we have needed to be, oftentimes, which is for hardworking Americans, but I think we are solidly where we need to be on this tax bill.

Mr. Speaker, I will give the gentleman a couple of examples in explicit response to his question. I went out to a school that provided training for young Vermont men and women who wanted to become welders. That is a great job. They get out of school and they get a job that pays them good wages. They have got to borrow money in order to do that.

In some cases, they have an employer who pays their tuition. Under this tax bill, that young woman or that young man who gets tuition assistance from his or her employer has to declare that as income and pay taxes on it.

That is an opportunity tax. A lot of those folks have borrowed money. We have got a wonderful Vermont Student Assistance Corporation program. It doesn't matter whether you are a Republican child or a Democratic child, you get low interest loans. They have lost their tax deduction.

This is when they are beginning their career, so their income is not great, and they are trying to pay their bills, maybe get a condominium; maybe, if they are really lucky, get a house. They have got to pay more taxes as a result of this bill.

The other thing is private activity bonds. This is unbelievable because what those bonds are—I didn't know much about this before I came to Congress—but it is a benefit where there can be an opportunity to borrow money from the private market, by the way, in order to provide low interest rates. The people who buy these bonds get the benefit of a tax deduction in order to provide a continuing benefit to lower interest rates for kids who are trying to get a welding degree or a community college degree or a higher education degree.

We are taking that away. We are taking away opportunity. We are imposing a big tax on the opportunity for young women and men in Vermont. There is not a single Republican who would want to do that. But we don't have an opportunity in this bill to propose an amendment, to say: Hey, wait a minute. We made a mistake on this provision because we don't want the would-be welders in Alabama, the would-be welders in Texas, the would-be welders in Vermont to have to pay more in order to develop a skill that is really essential to making those joints on our bridges and doing the things that we need to rebuild our cities.

We are not allowed an opportunity to propose an amendment where every single American would know whether your Representative wanted to impose an opportunity tax on that student who wants to become a welder.

Where is the democracy in this? Where is the transparency in this?

That is what really is heartache for me. As Chairman Neal knows, we grew up in the same city and it was rough and tumble, working class, proud people, and ethnic.

□ 2045

We played hard in sports, and we battled all the time. But we had a kind of common pride in the value of work. We saw how hard our parents worked. We didn't necessarily notice that when we should have when we were younger. But as we grew up, we really were stunned at the kind of commitment they had to rebuilding the city that we were in and the gentleman became mayor of. We became so appreciative of the opportunity they gave us.

I grew up in a family of six kids, and how my parents did it in a small house with four bedrooms and sharing a bedroom, we didn't know. It was only after the fact that we became aware of how wonderful this opportunity was that they gave us and the sacrifices that they made.

Isn't it our job in this House of Representatives to give everybody the same opportunity to the experience that Mr. NEAL had, that Mr. LIPINSKI had, and that I had? That was on the shoulders of parents who sacrificed for our benefit.

So the bottom line for me on this tax bill is whether it enhances the opportunity of every American striver, every American who wants to become better, more contributing, more of an active citizen, more of an accomplished adult, and more of a contributor to our workforce. Does this bill help them achieve that or does it impede them from doing that?

When I look just at one specific provision where we say that students are going to have to pay taxes on the interest that they pay on their student loan or when a student who earns, in fact, a scholarship or a fellowship to go advance their higher education and they have to pay income tax on that, I am truly horrified because this country—and this is not a Republican-Democratic deal—is all based on the optimism that, if we give people opportunity, it will benefit all of us. It will benefit that individual who is there to seize that opportunity and make the best of what they can do and, therefore, build the country.

So, Mr. Speaker, I really appreciate the ranking member's efforts on this.

Mr. NEAL. Mr. Speaker, I thank the gentleman from Vermont. It was a very nice description of our hometown, Springfield, Massachusetts.

Mr. Speaker, I yield to the gentleman from Chicago, Illinois (Mr. LIPINSKI), who is a good friend to all of us here.

Mr. LIPINSKI. Mr. Speaker, I thank Mr. NEAL, the ranking member of the Ways and Means Committee, for all his work.

I want to talk tonight from the perspective of Blue Dog Democrats.

Now, clearly, we all know—and Mr. WELCH very eloquently talked about the needs of the middle class and people who are struggling—it is far past time that we reform the Tax Code by making it simpler, closing loopholes, and lowering rates. However, this bill that we are going to be voting on tomorrow is certainly not the answer for the middle class.

Now, it didn't have to be this way. Throughout the year, I heard from Republican lawmakers and from the White House about the benefits of creating a bipartisan tax reform plan. As the policy co-chair of the Blue Dog Coalition representing modern Democrats, I coordinated the coalition's creation of key principles needed for a permanent, bipartisan tax reform bill. Our reform principles called for the following:

First, tax reform must be passed with an open, bipartisan process and through regular order.

Second, tax reform must be credibly revenue neutral and should not use unrealistic economic growth projections to offset the costs of tax reform or tax relief.

Third, American companies need a more competitive corporate tax rate and structure in order to maintain their ability to compete globally. Congress must also account for the needs of small businesses when it comes to setting tax rates.

Fourth, and most importantly, the middle class must be the priority in this tax bill.

Fifth, Congress should use tax reform to address the funding challenges for the highway trust fund.

Taken together, I think most people would say that this is a good, sound set of principles; but, disappointingly, H.R. 1 fails to meet these criteria.

First, this bill is not bipartisan. The Blue Dogs met with the Treasury Secretary, the Director of the National Economic Council, as well as the chairman of the committee. We were told that they wanted this to be a bipartisan bill.

But the bill was passed in committee less than a week after it was introduced and less than a day—even less than that—after last-minute changes were made by the chairman. The committee voted down every Democratic amendment on a party-line vote, and 1 week later, this bill is being brought to the floor with no amendments allowed.

This is clearly not bipartisan, and it is tough to argue that this is an open process of regular order where Members get to participate in the process.

But what about the contents of the bill?

First, it is not revenue neutral. We were told that this bill would be revenue neutral using dynamic scoring, that is, when considering additional revenue that will be raised from increased economic growth because of the tax cuts. Some dismiss dynamic scoring out of hand, but I believe that it can be legitimate. But as we were about to vote on the bill, even the idea of having an official dynamic score of this bill before voting on it seems to have completely disappeared.

What we do know is that the nonpartisan Joint Committee on Taxation says it will add nearly $1.5 trillion plus interest to our debt, which is currently $20 trillion and growing. The one rough dynamic score that has been produced by the rightwing Tax Foundation shows that this bill, as originally introduced, would still add over $1 trillion to our debt.

The new debt is not even used to put the needs of middle class Americans first. The bulk of the benefits from the bill favor businesses and corporations rather than individual taxpayers.

The Tax Policy Center estimates that families would only get the benefit of about one-third of the tax cuts offered by the bill, with corporations and other businesses getting twice as much. This is because of the unbalanced way in which business tax rates are lowered with relatively few cuts to corporate deductions.

But as we have heard many of our speakers talk about all of the deductions, they are going to hurt middle class Americans as they try to deal with growing expenses for healthcare, education, and childcare.

Of course, true tax reform can alter some of these provisions in order to simplify the Tax Code. But we must make sure that, at the end of the day, middle class families' pocketbooks are not harmed by the changes that we make.

While many tout that this bill doubles the standard deduction, it is important to understand that it also eliminates personal exemptions. This means that families with children or other dependents may be worse off.

There are other examples of deductions lost that will negatively impact middle class families. We have heard many of them, including the medical expense deduction. That means that families with very high expenses, such as long-term care for extraordinary illnesses, will pay higher tax bills.

The bill also makes student loan borrowers pay new taxes on the loan interest they pay.

The list goes on.

One particularly contentious part of this bill is that it severely curtails the deduction individual taxpayers take for State and local taxes paid. Supporters of this idea claim that this deduction is an unfair subsidy from the Federal Government to high-tax cities and States, but in my own State of Illinois where taxpayers will get hit hard by this, we already get only 79 cents back from the Federal Government for every dollar we contribute in taxes. Taking away the State and local tax deduction will only make this discrepancy worse.

Now, one particularly troubling aspect of this bill is that, while it adds some new incentives to make it easier to raise children and support families, these incentives expire after 5 years, even as provisions that primarily benefit high-income taxpayers and corporations are made permanent.

When analyzed as a whole, the nonpartisan Tax Policy Center predicts that any tax relief some middle class families might receive from this bill will disappear over time. Yet families in the top of 1 percent and even the top one-tenth of 1 percent will not only see immediate relief, but even larger returns in the long run.

Finally, this bill does nothing to address a major tax issue that our Nation faces: the fact that the highway trust fund that pays for Federal roads and transit projects is taking more and more money every year out of general revenue. We need to fix the highway trust fund, and if we did that here, we could also start finally doing some of those trillion-dollar infrastructure projects that the President keeps talking about.

So, once again, in this bill, the House is choosing to pursue a needlessly partisan, closed process for major legislation with wide-ranging impacts and enormous price tags. I really urge my colleagues to change course. Pursue a truly bipartisan reform so that we do well by American families and businesses that need Congress to act on this critical issue.

Mr. Speaker, I thank Ranking Member NEAL for all his work on this.

Mr. NEAL. Mr. Speaker, how much time is remaining?

The SPEAKER pro tempore. The gentleman from Massachusetts has 1½ minutes remaining.

Mr. NEAL. Mr. Speaker, let me thank Mr. LIPINSKI and the group that is assembled here tonight. I want to encourage the American people to pay attention beginning again tomorrow morning at 9 o'clock when we are going to finish the debate on this legislation.

I hope that as they pay attention to it they will consider what a missed opportunity this was, a reminder that one of the most complex pieces of legislation offered in the years I have been here had no public hearings. Not one witness was summonsed to give advice on a tax bill of this consequence.

It has been advertised as a middle class tax cut. I can assure you that 36 million Americans are going to pay more when this is done.

Also, another reminder to pay close attention to is that our friends down the hallway in the Senate are going to include an end to the mandate, which is the glue that holds together the Affordable Care Act, in a further effort to take away health insurance from 13 million people to pay for a tax cut.

This could have been done together, Democrats and Republicans. We wanted to do it. We were shut out of this process from day one. Remember, this legislation was offered last Thursday. A manager's mark was published Friday. We went to markup on Monday, and we were done on Thursday. There was no opportunity for us to participate.

Mr. Speaker, I yield back the balance of my time.

TAX REFORM

The SPEAKER pro tempore. Under the Speaker's announced policy of January 3, 2017, the Chair recognizes the gentleman from Arizona (Mr. SCHWEIKERT) for 30 minutes.

Mr. SCHWEIKERT. Mr. Speaker, I want to do actually two or three things specifically tonight. One is walk through a bunch of data on why the tax reform proposal is actually just sort of crucial to our society and where we are going and, number two, actually walk through some impressions of being one of the new members on Ways and Means.

I have been here in the U.S. House; now I am in my seventh year here. I have only been on the Ways and Means Committee now for a year. It has been one of the most fascinating experiences of my life because of the number of meetings, the diving into data, the ability to sort of make things mesh together and make the math work, with an understanding of how serious this is.

The problem is, in the somewhat toxic partisan environment we are in right now, I know there are some of my friends on the other side who are really uncomfortable with the idea of Republicans having a win.

□ 2100

I know there are others who are constantly looking for what the partisan wedge is. I am going to ask, at least for just a couple of moments, that we sort of think through something altogether.

We are going to walk through some of these boards. If you see this one right here, this is with the borrowing from all the trust funds. But our country is already 105 percent of debt. If you add up the publicly held debt and that from borrowing from the trust funds, it is over 105 percent of debt to GDP.

Lots and lots of economists get really nervous when you start to say: Hey, in just a few years, the amount of debt issued by this government will be the size of the entire economy. This is issue, not borrowing from trust funds.

Understand that the curve is steepening because the trust fund balances are falling. We are finally hitting that inflection period where demographics are moving our numbers. Remember, the peak of the baby boom is 60 years old today.

We have obligations that we as a society have made to our brothers and sisters who are getting older. We have a real problem. You are going to see in a number of these slides that if we continue to stay as a society, as a country, that is only growing. Remember, the projection right now is 1.8 percent growth over the next 20 years. You mathematically cannot meet your obligations. It is called a debt crisis. It is called an entitlement crisis.