

Risk list and the annual report to reduce program duplication. Based on these oversight efforts and performance reviews of programs within their jurisdiction, committees are directed to include recommendations for improved governmental performance in their annual views and estimates reports required under section 301(d) of the Congressional Budget Act of 1974 (2 U.S.C. 632(d)) to the Committees on the Budget.

**SEC. 4202. BUDGETARY TREATMENT OF CERTAIN DISCRETIONARY ADMINISTRATIVE EXPENSES.**

In the Senate, notwithstanding section 302(a)(1) of the Congressional Budget Act of 1974 (2 U.S.C. 633(a)(1)), section 13301 of the Budget Enforcement Act of 1990 (2 U.S.C. 632 note), and section 2009a of title 39, United States Code, the joint explanatory statement accompanying the conference report on any concurrent resolution on the budget shall include in its allocations under section 302(a) of the Congressional Budget Act of 1974 (2 U.S.C. 633(a)) to the Committees on Appropriations amounts for the discretionary administrative expenses of the Social Security Administration and of the Postal Service.

**SEC. 4203. APPLICATION AND EFFECT OF CHANGES IN ALLOCATIONS AND AGGREGATES.**

(a) APPLICATION.—Any adjustments of allocations and aggregates made pursuant to this resolution shall—

(1) apply while that measure is under consideration;

(2) take effect upon the enactment of that measure; and

(3) be published in the Congressional Record as soon as practicable.

(b) EFFECT OF CHANGED ALLOCATIONS AND AGGREGATES.—Revised allocations and aggregates resulting from these adjustments shall be considered for the purposes of the Congressional Budget Act of 1974 (2 U.S.C. 621 et seq.) as allocations and aggregates contained in this resolution.

(c) BUDGET COMMITTEE DETERMINATIONS.—For purposes of this resolution the levels of new budget authority, outlays, direct spending, new entitlement authority, revenues, deficits, and surpluses for a fiscal year or period of fiscal years shall be determined on the basis of estimates made by the Committee on the Budget of the Senate.

**SEC. 4204. ADJUSTMENTS TO REFLECT CHANGES IN CONCEPTS AND DEFINITIONS.**

Upon the enactment of a bill or joint resolution providing for a change in concepts or definitions, the Chairman of the Committee on the Budget of the Senate may make adjustments to the levels and allocations in this resolution in accordance with section 251(b) of the Balanced Budget and Emergency Deficit Control Act of 1985 (2 U.S.C. 901(b)).

**SEC. 4205. ADJUSTMENTS TO REFLECT LEGISLATION NOT INCLUDED IN THE BASE LINE.**

The Chairman of the Committee on the Budget of the Senate may make adjustments to the levels and allocations in this resolution to reflect legislation enacted before the date on which this resolution is agreed to by Congress that is not incorporated in the baseline underlying the Congressional Budget Office's June 2017 update to the Budget and Economic Outlook: 2017 to 2027.

**SEC. 4206. EXERCISE OF RULEMAKING POWERS.**

Congress adopts the provisions of this title—

(1) as an exercise of the rulemaking power of the Senate, and as such they shall be considered as part of the rules of the Senate and such rules shall supersede other rules only to the extent that they are inconsistent with such other rules; and

(2) with full recognition of the constitutional right of the Senate to change those

rules at any time, in the same manner, and to the same extent as is the case of any other rule of the Senate.

**STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS**

By Mr. FLAKE:

S. 1974. A bill to require transparency in the tax code by requiring federally funded tax credits to be disclosed in the USASpending.gov website; to the Committee on Finance.

Mr. FLAKE. Mr. President, I rise to speak on the much needed topic of tax reform. The high rates and complicated nature of the current Tax Code are burdening individual taxpayers and making businesses less competitive in the global market. That simply has to change. It has been more than 30 years since we have passed major tax reform, and we are well past time.

Unfortunately, I recently learned of a serious threat to reforming the Tax Code called alpacas. Now, what do these cute, mild-mannered pets have to do with Federal tax policy? Earlier this year, I issued an oversight report entitled “Tax Rackets: Outlandish Loopholes to Lower Tax Liabilities.” That report demonstrated how clever accounting allows nearly anything imaginable to become a writeoff, including alpacas.

To illustrate the point, the report outlined how local and Federal tax bills can be sheared by claiming exotic pets—these exotic pets—as livestock and turning backyards into barnyards. That is when the fur really started to fly.

Alpaca owners associations that once brazenly touted this tax fleece as a key selling point for the animals now feigned outrage at the suggestion. The association tried to pull the wool over the eyes of taxpayers by retaining a professional PR consultant. They launched a media campaign, inundating my office and others with phone calls, social media messages, and letters with photos of alpacas.

Through slick reporting and aggressive lobbying, tax-subsidized alpaca ownership was somehow presented as a bulwark of small business and a flourishing middle class. If this mere mention of a tax break costing \$10 million annually and enjoyed by relatively few taxpayers elicited such an outmeasured and aggressive response, imagine the backlash we will face when we are attempting to actually eliminate tax preferences benefiting powerful corporations and special interests to the tune of billions of dollars.

There are over 200 loopholes buried throughout the Tax Code that collectively cost \$123 trillion annually. Again, there are over 200 loopholes buried throughout the Tax Code that collectively cost \$1.23 trillion annually. This exceeds the total amount spent annually by the Federal Government for all discretionary programs, which includes defense, education, transportation, foreign aid, and protecting the environment.

These exemptions increase the bill for the average taxpayer. They also make the Tax Code so complicated that most individuals have to hire a tax professional or buy software to help complete their tax returns.

At more than 74,000 pages in length, no one—not even those in Washington who write the laws or enforce them—truly understands Federal tax law. Special interests are taking advantage of this confusion by hiring armies of accountants and Washington lobbyists to dodge taxes and cash in on the complexity of the code. For example, developers are claiming—these are a lot of homebuilders are claiming \$8 billion in tax credits every year supposedly to construct low-income housing, but with fewer homes being built and no basic accountability requirements, it is nearly impossible to track how this money is being spent.

The Government Accountability Office, the GAO, which is investigating, said the “IRS and no one else in the federal government really has an idea of what is going on.”

The same is true with hundreds of other tax loopholes. A luxury yacht can qualify as a second home and can be eligible for a mortgage interest deduction. Alaskan ship captains can expense costs for whaling as charitable contributions, even though no money goes to charity and whaling is typically illegal otherwise. High rollers can itemize the cost of gambling trips, including entertainment. Even the cost of losing lottery tickets can be deducted, a kind of scratch-off writeoff.

Only the IRS knows who is taking advantage of these loopholes, and the agency often cannot verify whether those claiming the tax giveaways are eligible. In order to achieve meaningful tax reform that makes the code simpler and fairer, we have to be able to first evaluate who is benefiting from these loopholes, for what purpose, and for what price.

That is why I am introducing the Tax Expenditures Accountability Act, which will publicly disclose the names of the corporate and special interests receiving tax credits and the costs of these tax credits. This bill requires the Department of Treasury to disclose the special interest receiving tax credits just as all other Federal expenditures are currently disclosed on the public website USASpending.gov. Sunlight is obviously the best disinfectant, and I look forward to exposing many of these loopholes, eliminating them, and returning the savings to individual taxpayers in the form of lower taxes.

As the alpaca lobby demonstrated, riding herd on tax breaks will cause every special interest benefiting from the code’s complexity and unfairness to cry foul. Washington’s powerful special interests will mobilize and threaten to derail tax reform. Many would rather protect these loopholes than allow taxpayers to keep more of their own paycheck.

Coming up short on reform is not an option. We have to do it this year. Individuals and businesses are suffering under a broken, antiquated tax code that is in dire need of fixing. We can't be deterred in efforts to achieve real reform that reduces the tax bill for everyone.

By Mr. Kaine (for himself and Mr. Warner):

S. 1975. A bill to designate additions to the Rich Hole Wilderness and the Rough Mountain Wilderness of the George Washington National Forest, and for other purposes; to the Committee on Agriculture, Nutrition, and Forestry.

Mr. Kaine. Mr. President, this bill authorizes additions to two existing wilderness areas within the George Washington National Forest in Virginia; the Rich Hole and Rough Mountain Wilderness Areas. It's a relatively simple bill, and it provides only a small window into the volume of work done by Virginians to manage a vast swath of Federal land in this region collaboratively and responsibly.

America's Federal lands are some of our most precious assets. We may hike or bike them; derive energy, minerals, or goods from them; or sometimes just leave them to nature. There is a long history of conflict among stakeholders who disagree on which Federal lands are best suited to which purposes.

Many years ago, forest users with different views and interests formed the George Washington National Forest Stakeholder Collaborative. Through hard work and consensus, the Collaborative agreed upon a number of recommendations for forest management and protection. Everyone got some of what they wanted and gave some ground. Preservation advocates consented to timber harvest and other active forest restoration and management in certain areas. The forest products industry consented to wilderness and lightly-managed areas elsewhere. The U.S. Forest Service's 2014 revised GW Forest Management Plan reflected many of these agreements.

Subsequently, the Forest Service convened the Lower Cowpasture Restoration and Management Project, bringing more stakeholders to the table, earlier in the process, to negotiate out how to manage this particular part of the Forest, located in the lower portion of the Cowpasture River watershed, in ways that work for everyone. Within this process, further compromises were made to achieve a mutually satisfactory project that could gather broad support. All members of the Stakeholder Collaborative now support the wilderness additions identified in this bill.

I am proud to partner on this with my colleague Senator MARK WARNER, and we are following in the path blazed by Senator John Warner and Representative Rick Boucher, who were instrumental in passing the original Virginia Wilderness Act in 1984.

Taking care of our Nation's outdoor resources is good for our economy and good for our environment. Land disputes may sometimes be difficult, but the example of the GW Forest Stakeholder Collaborative proves they don't have to be. When everyone comes to the table and invests the necessary time, we can find common ground. I hope this will be a lesson for us in other tough policy challenges, and I encourage the Senate to support this bill.

## SUBMITTED RESOLUTIONS

### SENATE CONCURRENT RESOLUTION 27—SETTING FORTH THE CONGRESSIONAL BUDGET FOR THE UNITED STATES GOVERNMENT FOR FISCAL YEAR 2018 AND SETTING FORTH THE APPROPRIATE BUDGETARY LEVELS FOR FISCAL YEARS 2019 THROUGH 2027

Mr. PAUL submitted the following concurrent resolution; which was referred to the Committee on the Budget:

S. CON. RES. 27

*Resolved by the Senate (the House of Representatives concurring),*

#### SECTION 1. CONCURRENT RESOLUTION ON THE BUDGET FOR FISCAL YEAR 2018.

(a) DECLARATION.—Congress declares that this resolution is the concurrent resolution on the budget for fiscal year 2018 and that this resolution sets forth the appropriate budgetary levels for fiscal years 2019 through 2027.

(b) TABLE OF CONTENTS.—The table of contents for this concurrent resolution is as follows:

Sec. 1. Concurrent resolution on the budget for fiscal year 2018.

#### TITLE I—RECOMMENDED LEVELS AND AMOUNTS

##### Subtitle A—Budgetary Levels in Both Houses

Sec. 1101. Recommended levels and amounts.

Sec. 1102. Major functional categories.

##### Subtitle B—Levels and Amounts in the Senate

Sec. 1201. Social Security in the Senate.

Sec. 1202. Postal Service discretionary administrative expenses in the Senate.

#### TITLE II—RECONCILIATION

Sec. 2001. Reconciliation in the Senate.

Sec. 2002. Reconciliation in the House of Representatives.

#### TITLE III—RESERVE FUNDS

Sec. 3001. Deficit-neutral reserve fund to protect flexible and affordable health care for all.

Sec. 3002. Revenue-neutral reserve fund to reform the American tax system.

Sec. 3003. Reserve fund for reconciliation legislation.

Sec. 3004. Deficit-neutral reserve fund for extending the State Children's Health Insurance Program.

Sec. 3005. Deficit-neutral reserve fund to strengthen American families.

Sec. 3006. Deficit-neutral reserve fund to promote innovative educational and nutritional models and systems for American students.

Sec. 3007. Deficit-neutral reserve fund to improve the American banking system.

Sec. 3008. Deficit-neutral reserve fund to promote American agriculture, energy, transportation, and infrastructure improvements.

Sec. 3009. Deficit-neutral reserve fund to restore American military power.

Sec. 3010. Deficit-neutral reserve fund for veterans and service members.

Sec. 3011. Deficit-neutral reserve fund for public lands and the environment.

Sec. 3012. Deficit-neutral reserve fund to secure the American border.

Sec. 3013. Deficit-neutral reserve fund to promote economic growth, the private sector, and to enhance job creation.

Sec. 3014. Deficit-neutral reserve fund for legislation modifying statutory budgetary controls.

Sec. 3015. Deficit-neutral reserve fund to prevent the taxpayer bailout of pension plans.

Sec. 3016. Deficit-neutral reserve fund relating to implementing work requirements in all means-tested Federal welfare programs.

Sec. 3017. Deficit-neutral reserve fund to protect Medicare and repeal the Independent Payment Advisory Board.

Sec. 3018. Deficit-neutral reserve fund relating to affordable child and dependent care.

Sec. 3019. Deficit-neutral reserve fund relating to worker training programs.

Sec. 3020. Reserve fund for legislation to provide disaster funds for relief and recovery efforts to areas devastated by hurricanes and flooding in 2017.

#### TITLE IV—BUDGET PROCESS

##### Subtitle A—Budget Enforcement

Sec. 4101. Point of order against advance appropriations in the Senate.

Sec. 4102. Point of order against certain changes in mandatory programs.

Sec. 4103. Point of order against provisions that constitute changes in mandatory programs affecting the Crime Victims Fund.

Sec. 4104. Point of order against designation of funds for overseas contingency operations.

Sec. 4105. Point of order against reconciliation amendments with unknown budgetary effects.

Sec. 4106. Pay-As-You-Go point of order in the Senate.

Sec. 4107. Honest accounting: cost estimates for major legislation to incorporate macroeconomic effects.

Sec. 4108. Adjustment authority for amendments to statutory caps.

Sec. 4109. Adjustment for wildfire suppression funding in the Senate.

Sec. 4110. Adjustment for improved oversight of spending.

Sec. 4111. Repeal of certain limitations.

Sec. 4112. Emergency legislation.

Sec. 4113. Enforcement filing in the Senate.

##### Subtitle B—Other Provisions

Sec. 4201. Oversight of Government performance.

Sec. 4202. Budgetary treatment of certain discretionary administrative expenses.

Sec. 4203. Application and effect of changes in allocations and aggregates.

Sec. 4204. Adjustments to reflect changes in concepts and definitions.

Sec. 4205. Adjustments to reflect legislation not included in the baseline.

Sec. 4206. Exercise of rulemaking powers.