OREGON TRIBAL ECONOMIC DEVELOPMENT ACT

Mr. McCONNELL. Mr. President, I ask unanimous consent that the Senate proceed to the immediate consideration of Calendar No. 249, S. 1285.

The PRESIDING OFFICER. The clerk will report the bill by title.

The senior assistant legislative clerk read as follows:

A bill (S. 1285) to allow the Confederated Tribes of Coos, Lower Umpqua, and Siuslaw Indians, the Confederated Tribes of the Grand Ronde Community of Oregon, the Confederated Tribes of Siletz Indians of Oregon, the Confederated Tribes of Warm Springs, and the Cow Creek Band of Umpqua Tribe of Indians to lease or transfer certain lands.

There being no objection, the Senate proceeded to consider the bill, which had been reported from the Committee on Indian Affairs, with amendments, as follows:

(The parts of the bill intended to be stricken are shown in boldface brackets and the parts of the bill intended to be inserted are shown in italics.)

S. 1285

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the ''Oregon Tribal Economic Development Act''.

SEC. 2. APPROVAL NOT REQUIRED TO VALIDATE LAND TRANSACTIONS.

(a) IN GENERAL.—Notwithstanding any other provision of law, without further approval, ratification, or authorization by the United States, the Confederated Tribes of Coos, Lower Umpqua, and Siuslaw Indians, the Confederated Tribes of the Grand Ronde Community of Oregon, the Confederated Tribes of Siletz Indians of Oregon, the Confederated Tribes of Warm Springs, **[**and**]** the Cow Creek Band of Umpqua Tribe of Indians, *the Klamath Tribes, and the Burns Paiute Tribes* may lease, sell, convey, warrant, or otherwise transfer all or any part of its interests in any real property that is not held in trust by the United States for the benefit of such tribe.

(b) TRUST LAND NOT AFFECTED.—Nothing in this section shall—

(1) authorize the Confederated Tribes of Coos, Lower Umpqua, and Siuslaw Indians, the Confederated Tribes of the Grand Ronde Community of Oregon, the Confederated Tribes of Siletz Indians of Oregon, the Confederated Tribes of Warm Springs, **[**and**]** the Cow Creek Band of Umpqua Tribe of Indians, *the Klamath Tribes, and the Burns Paiute Tribes* to lease, sell, convey, warrant, or otherwise transfer all or any part of an interest in any real property that is held in trust by the United States for the benefit of such tribe; or

(2) affect the operation of any law governing leasing, selling, conveying, warranting, or otherwise transferring any interest in such trust land.

Mr. McCONNELL. I ask unanimous consent that the committee-reported amendments be agreed to; that the bill, as amended, be considered read a third time and passed; that the committee-reported title amendment be agreed to; and that the motions to reconsider be considered made and laid upon the table.

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

The committee-reported amendments were agreed to.

The bill (S. 1285), as amended, was ordered to be engrossed for a third reading, was read the third time, and passed, as follows:

S. 1285

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

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(2) affect the operation of any law governing leasing, selling, conveying, warranting, or otherwise transferring any interest in such trust land.

Amend the title so as to read: ''A bill to allow the Confederated Tribes of Coos, Lower Umpqua, and Siuslaw Indians, the Confederated Tribes of the Grand Ronde Community of Oregon, the Confederated Tribes of Siletz Indians of Oregon, the Confederated Tribes of Warm Springs, the Cow Creek Band of Umpqua Tribe of Indians, the Klamath Tribes, and the Burns Paiute Tribes to lease or transfer certain lands.''.

The committee-reported title amendment was agreed to, as follows:

Amend the title so as to read: ''A bill to allow the Confederated Tribes of Coos, Lower Umpqua, and Siuslaw Indians, the Confederated Tribes of the Grand Ronde Community of Oregon, the Confederated Tribes of Siletz Indians of Oregon, the Confederated Tribes of Warm Springs, the Cow Creek Band of Umpqua Tribe of Indians, the Klamath Tribes, and the Burns Paiute Tribes to lease or transfer certain lands.''.

TAX CUTS AND JOBS ACT—Continued

ORDERS FOR THURSDAY, NOVEMBER 30, 2017

Mr. McCONNELL. Mr. President, I ask unanimous consent that when the Senate completes its business today, it adjourn until 10:30 a.m., Thursday, November 30; further, that following the prayer and pledge, the morning hour be deemed expired, the Journal of proceedings be approved to date, the time for the two leaders be reserved for their use later in the day, and morning business be closed; finally, that following leader remarks, the Senate resume consideration of H.R. 1, under the previous order.

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

ORDER FOR ADJOURNMENT

Mr. McCONNELL. Mr. President, if there is no further business to come before the Senate, I ask unanimous consent that it stand adjourned under the previous order, following the remarks of Senators PORTMAN, VAN HOLLEN, WARREN, and WYDEN.

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

The Senator from Ohio.

Mr. PORTMAN. Mr. President, tonight I want to talk about the opportunity we have before us in the Senate, and that is for tax reform that can truly help our economy and help the middle-class families we represent. It is a once-in-a-generation opportunity.

The last time we reformed our Tax Code in any substantial way was 31 years ago. Ronald Reagan was President and Pete Rose was still playing for the Cincinnati Reds. That is how long ago it was. In 1986, tax reform gave our economy a much needed shot in the arm, and it led to more jobs and higher wages in the 1980s and 1990s. Now, 31 years later, after a decade of disappointing growth and flat wages, we need that shot in the arm again.

We need a tax code that better reflects the needs of today's workers, today's families, and our 21st century economy. There is bipartisan agreement that the Tax Code is broken—hopelessly broken—and it is up to Congress to fix it. No one else can.

Through the Tax Cuts and Jobs Act now before us, we have a chance in the Congress to create a better economy and a better future. We have to get this done for the people we represent. It starts with tax cuts for the middle class. While the economy has seen some improvement recently, and I saw some good numbers today for last quarter's growth, the people I represent, hard-working Ohioans, and people across the country are not feeling these benefits of a growing economy. For more than a decade now, expenses have increased, including healthcare costs, which have increased the highest, at a time when wages have been flat. When you take inflation into account, wages have stayed relatively flat for almost two decades. That increase in expenses and flat wages is the middle-class squeeze, and people are feeling it.

For years, my colleagues on both sides of the aisle have been calling for middle-class tax cuts to help ease this burden. The Tax Cuts and Jobs Act will actually deliver. The proposal helps us in a lot of ways but three main ways.

First, there is a doubling of the standard deduction. This is a doubling for families from $12,000 to $24,000. That means, for a lot of families in America, the first $24,000 is a zero tax bracket. Two-thirds of Ohioans already, by the way, use the standard deduction. The estimate is, now that we are doubling it, over 90 percent of Ohioans will use that standard deduction. That helps to keep the tax bill down but also is a tremendous simplification of our Tax Code.

Second is the doubling of the child tax credit. That is in this legislation. The American dream starts with the American family, and parents shouldn't have to reconsider starting a family because of the financial burden that comes with it. This doubling of the child tax credit will help working families afford childcare and will help strengthen middle-class family budgets all across the country. By the way, it includes increasing the refundability of that tax credit for taxpayers who don't have any income tax liability.

Third, of course, is lowering tax rates. There are tax rates that are lowered all across the board for middle-class families. The independent Tax Foundation estimates that the tax cuts in this proposal will save an Ohio family at the median income level 2,375 bucks a year. That almost $2,400 a year is a big deal. A lot of the people I represent and others represent here in this Chamber are living paycheck to paycheck, and this matters. More money staying in the pockets of working families to make that car payment, to pay for healthcare, maybe put a little money aside for retirement, is a big deal.

We also know from the Tax Foundation that the lower rates in this plan will benefit families across middle-class income brackets. For example, a family with two kids making $50,000 a year will see a 36-percent tax break, a 36-percent reduction in their tax liability. For a family with two kids making about $85,000 a year, there is a 20-percent reduction in their tax liability. And for a family with two kids making about $165,000 a year, there is an 8-percent reduction in their tax liability. So there is tax relief across the board, but the biggest proportional tax cut goes to the folks who need it the most.

This chart shows this. For people who are in these income categories—$20,000 to $50,000, $50,000 to $100,00, $100,000 and above—right now paying 4.3 percent in taxes from $20,000 to $50,000, under this proposal, according to the Joint Committee on Taxation and the Tax Foundation, it goes down to 4.1 percent. So the burden is reduced for people at the lower end. From $50,000 to $100,000, the burden is also lower, from 16.9 percent to 16.7 percent. For those people with $100,000 and above, the burden right now is about 78.7 percent. The top 10 percent of wage earners pay about 70 percent of the taxes. That actually goes up from 78.7 to 78.9.

So this notion that we have heard today that somehow these middle-class tax cuts are not proportionally helping those at the lower end is simply not true. This is the data. Go on jct.gov—Joint Committee on Taxation—and look for yourself. Go on the Tax Foundation site, and you can look at your family income, look at your situation, and determine how doubling the standard deduction, doubling the child tax credit, and reducing tax rates will benefit you. The biggest proportional tax cuts, again, go to people who need it the most.

In total, by the way, when these tax cuts are implemented, it is estimated that approximately 3 million Americans who are currently paying taxes will no longer be paying income taxes. They will be off the rolls altogether. That is tax cuts for middle-class families, for families who need it the most.

Some of my colleagues on the other side of the aisle have suggested that our plan will hurt families with incomes below $30,000 because there is a Joint Committee on Taxation report that, because of arcane budget rules, counts repealing the individual mandate as a tax hike. This is an interesting perspective, but I reject it because I don't think stopping the ObamaCare individual mandate and people choosing not to buy health insurance and therefore not having both the cost of the Affordable Care Act and the ObamaCare tax credits that come with that healthcare is a tax hike. In other words, what they are saying is that because somebody doesn't choose to buy healthcare partly because it is too expensive and therefore doesn't get the tax credits that come with that, that somehow that is a tax hike. That doesn't make sense to me, and I don't think it makes sense to most Americans.

What the Joint Committee on Taxation did say repeatedly at our committee markup 2 weeks ago is that when you don't consider this issue—again, choosing not to buy healthcare insurance a hike—that our plan does give every single income group, including those under $30,000, a tax cut. As noted earlier, the biggest percentage tax cuts goes to those with lower incomes, and that is appropriate. Those are the folks who need it the most.

What we do know is that right now the individual mandate is an onerous tax by itself. The Supreme Court has called it a tax. It is a tax on people that disproportionately affects lower to middle-class Americans. In fact, 80 percent of the individual mandate falls on folks making less than $50,000 a year and their families. In Ohio, by the way, that figure is about 83 percent. Eighty-three percent of that individual mandate tax falls on people in households that make less than $50,000 a year.

Getting rid of this penalty removes the financial burden unfairly affecting those working families, and then we use the savings from that, that the Congressional Budget Office says we get from this, to increase the child tax credit and to reduce tax rates on the middle class. That is one reason we have better middle-class tax cuts in our bill.

Providing immediate relief to the family budget is incredibly important, but beyond that, the tax reforms on the business side will make American workers and companies more competitive, create more jobs and better wages, and that, to me, is just as important in terms of helping middle-class families in my home State of Ohio. Why? Because when you reform the business tax code to make it competitive, the benefit goes to workers and working-class families all over this country.

The United States now has the highest corporate tax rate in the industrialized world. One study by the nonpartisan Congressional Budget Office estimates that workers bear 70 percent of the burden of our corporate tax rate being so high. Others say it is less than that, and others say it is more than that, but all say that workers benefit. If we lower that rate below the average of the other industrialized countries, our workers will benefit through higher wages and better benefits. And by the way, that benefits middle-class families well beyond these direct tax cuts we were talking about earlier.

A recent study by Ernst & Young, the accounting firm, said that if we had had the tax rate that we have in this proposal—a 20-percent tax rate—on these businesses, if we had had that in place since 2004, there would be 4,700 more U.S. companies today. Let me repeat that. They are saying that 4,700 companies that were American companies have become foreign companies because of our Tax Code, and if we had put in place these changes back 13 years ago, those companies would still be American companies, hiring more American workers, and investing more money here.

We did some research on this, some investigation in the Permanent Subcommittee on Investigations over the past few years, and we determined that, in fact, when companies are taken over by a foreign company because of our Tax Code or when U.S. companies choose to go overseas and invert because of our Tax Code, what happens? We lose jobs, and we lose investment here in this country. It matters, and it matters a lot to the communities where those employees are lost and where those businesses have left. The 20-percent tax rate is going to mean more jobs and more investment coming right here to this country instead of going overseas.

It is also true that there will be more foreign investment here. Companies are now trying to decide whether they are going to invest in America or whether they are going to invest in some other country with a lower tax rate, and with the expensing we have in this bill, to be able to write down new investments they are making, it is going to encourage them to make an investment here in the United States rather than in other countries. That will increase jobs too.

By the way, the Tax Foundation estimates that because of the new investment and the higher productivity that comes with it because of this tax reform proposal, we will create nearly 1 million new Americans jobs and more than 35,000 jobs alone in my home State of Ohio.

In addition to providing relief for middle-class families and making business rates more competitive for American companies and workers, this tax reform does a lot to level the playing field internationally. This is very important. Right now, American workers are forced to compete with one hand tied behind their back because of our Tax Code. A broken tax code is something that must be fixed because it is irresponsible to tell the American people: You have to get out there and compete, but guess what—your foreign competitor has a big advantage over you.

It is crazy that Congress has allowed this opportunity to go by for so many years. The situation where companies are actually encouraged to move overseas and keep their profits overseas makes no sense. Right now, it is estimated there is between $2.5 trillion and $3 trillion of earnings trapped overseas because of this outdated Tax Code. Think about that. That money can come back here and be invested here in plants and jobs and equipment. The Tax Cuts and Jobs Act says to those companies: We want your money back here. We want you to invest in America. The result will lift the economic condition of our entire country.

This week, 137 of the country's leading economists wrote an open letter to Congress in support of this tax reform bill. These former heads of government agencies, leaders of economic policy groups, and leading academics said, quite simply:

> Economic growth will accelerate if the Tax Cuts and Jobs Act passes, leading to more jobs, higher wages, and a better standard of living for the American people.

That is by 137 economists in an open letter. I encourage you to take a look at it online. These are people who understand what the impact of the policy we make here is going to be on decisions that are being made all around the country.

We can debate the exact growth amount that will result from this bill, and we will have a spirited debate on that this week, but we all have to agree that this will help to grow the economy if we are following basic economic theory.

By the way, their letter also states that ''$1 trillion in new tax revenue for the federal government can be generated by four-tenths of a percentage in GDP growth.'' In other words, what they are saying is that if there is just a slight increase in economic growth because of this tax reform bill, compared to the number we have to use here, that this will result in actual new revenue coming in to the government to pay down the debt. I am convinced that is going to happen for a very simple reason. We have to use a very low number on economic growth. Under our rules, we have to use a CBO—Congressional Budget Office—number of 1.9 percent economic growth over the next 10 years. By the way, the average over the past 30 years has been 2.5 percent. We just learned today that the average last quarter was 3.3 percent. The average the quarter before that, the second quarter, was 3.1 percent.

This tax reform proposal will help to actually increase economic growth, but even if you don't believe that, 1.9 percent economic growth is unacceptable. We cannot accept that as a country. We can and must do better than that. We will do better than that, and this tax reform proposal will be one reason. So I am convinced that the four-tenth's increase—up to 2.3 percent—is still very conservative and that we will be able to do better than that, as we have over the past 30 years, as we have traditionally in this country.

When you hear my colleagues on the other side talk about this bill being bad for the deficit, I think you ought to think about that. This means that they are resigning themselves to 1.9 percent economic growth. That, to me, is not acceptable for our country, and I don't think that is what we will see.

Of the $44 trillion in new revenue estimated to be coming in over the next 10 years, yes, out of that amount, we are suggesting $1.5 trillion be a tax cut relative to that, again, very low economic growth of 1.9 percent.

About a third of that, by the way, is by simply using what we should use, which is the right policy baseline, so you end up with about $1 trillion in tax relief. And again, over 10 years, with $44 trillion coming in and with what the economists are saying about it generating more revenue through economic growth, I am convinced we are going to do better than that 1.9 percent.

I believe the pro-growth changes in this bill will help drive economic growth in ways that help every American family. We are in a position now, if we pass this bill, to be able to help all the people who are now looking at a tough time making ends meet—it is difficult for a lot of people living paycheck to paycheck—but it will also help to grow the economy generally.

Businesses and organizations all around the country are supporting this legislation because they believe it is going to help American families. We have about 120 groups already as of yesterday who are supporting us: the National Federation of Independent Business, which is the group that represents most of the small businesses in America; the Family Business Council, which represents a lot of small businesses that will benefit greatly from the changes we have not just with the corporation rate but also with how we deal with companies that are considered to be passthrough companies, the smaller companies. The National Retail Federation is strongly in support of this bill. The Small Business and Entrepreneurship Council supports this reform plan and the opportunities it has to create more economic growth for small businesses, to let them be more competitive.

You can look at some of the groups here, some of the roughly 120 groups that are supporting this legislation. Why? Because they know it is going to help. Big businesses will benefit and be more competitive; therefore their workers can compete. Through these pro-growth policies, small businesses are going to be able to grow and be more entrepreneurial, to come up with more innovations and expand employment.

We can estimate the savings for the middle-class family in every tax bracket, as I said, but what can't be measured as easily is the economic boost this is going to have for everybody. We are giving families freedom to spend more of their own money the way they see fit. We are putting faith in the American entrepreneurs and businesses to compete in a global market. We are bringing back some of that money that is locked up overseas. We are creating a fairer tax system that encourages jobs and investment here in this country rather than overseas. That is all good stuff.

The Tax Cuts and Jobs Act is made in America and it is made for America. We need to come together now as a Congress—and I hope we will get support from the other side of the aisle as well—to pass this once-in-a-generation legislation to benefit our country.

Thank you, Mr. President.

I yield the floor.

The PRESIDING OFFICER (Mr. SCOTT). The Senator from Massachusetts.

Ms. WARREN. Mr. President, Senate Republicans are about 24 hours away from passing a bill that would make middle-class families in this country pay more taxes so big corporations and millionaires can pay less.

A bill like that would never really make sense, but it really, really doesn't make sense right now. Since 1980, corporate profits have shot through the roof, while wages for working people have remained pretty much the same. With corporate profits up and family incomes flat, who is paying the cost of running the government? Thanks to Congress, over the past 50 years, corporations have gone from picking up about 25 percent of what it costs to run the government to picking up about 9 percent or, to say it another way, hard-working families now pick up a much bigger share of the cost of running our government.

I don't care whether you are a Democrat or a Republican, this just isn't fair. Corporations are wallowing in profits while hard-pressed families are picking up the bill for our military, for our government agencies, for homeland security, for our infrastructure, and for everything else we have to pitch in to pay for.

Here comes the Republican tax bill, which would make a bad situation worse. The Republican tax bill would slash taxes on corporations even further and raise taxes on millions of working families. It is hard to comprehend how deeply unfair that is. A survey released last May by the Federal Reserve found that 44 percent of American families—just a bit under a half—don't have enough slack in their budget to cover a $400 emergency expense. If the transmission blows up or if a kid gets sick or the fridge stops working, these families are just plain out of luck. These are the same families whom the Republicans have targeted to pay more in taxes under the Republican plan.

In trying to sell a bill that is deeply unfair, Republicans have landed on a tried-and-true strategy—just lie about it.

The first big lie is that the plan will supercharge economic growth. Spoiler alert: It will not. We have seen this movie before, and we know how it ends. There is not one single credible projection that says this plan will have any meaningful impact on the growth of the American economy. One group of economists after another has looked at this bill and said it will not do a darn thing to help the economy grow.

Even Wall Street banks—which stand to pocket billions of dollars in tax giveaways from this bill—have grudgingly had to admit the bill will not lead to any growth. Barclays Bank said: ''A permanent boost to growth remains unlikely.'' Goldman Sachs said: ''We find a boost to GDP growth of 0.1–0.2 [percentage points] in 2018–2019 and smaller amounts in subsequent years.''

The second big lie is that if we just give corporations more money, they will surely do us the favor of raising wages or creating more jobs. We have seen that movie before too. Over the last 30 years, corporate profits have exploded, and companies have not trickled down those profits to workers. They didn't do it before, and they will not do it after the Republicans give away even more money to these giant corporations.

You don't have to take my word for it. The top executives at the companies have already admitted as much. Bank of America and Merrill Lynch surveyed 300 CEOs about what they would do with their tax giveaways. What are they going to do with those tax giveaways? The top three responses: pay down debt, buy back stock, and fund new mergers. In other words, something for the banks, something for wealthy investors, and nothing for workers.

The third big lie is that the plan will not increase the national debt. That is just plain false. The nonpartisan Congressional Budget Office says this bill will tack on $1.4 trillion to the debt in the next 10 years, and we all know what comes next. The same Republican Senators who will vote for this trillion-dollar budget buster tomorrow will turn around next week and say our national debt is just too high, and we need to cut Medicare, Medicaid, Social Security, education funding, affordable housing, and you name it. In fact, the Republican budget they passed last month tees up more than $1 trillion in cuts to those very programs.

This bill raises taxes on millions of middle-class families, and it doesn't create any real economic growth. It doesn't create any real job growth, and it explodes the national debt. So this bill clearly is not about helping working families.

You really have to stop and ask the question, What is it about? The answer is simple. This is about Republican Senators paying off the rich corporate donors that helped get them elected. It is about the way that money has corrupted Washington. It is about wealthy donors investing a few million dollars in political contributions to secure billions of dollars in tax giveaways.

Here is what one of my Republican colleagues said recently: If we don't pass a tax bill, ''financial contributions will stop.'' A Republican Member of the House was even more blunt. He said on the record that his donors told him to pass this tax bill or ''don't ever call them again.'' In other words, Republicans have said to each other they need to pass a tax giveaway to give their donors money in order to get reelected. This is a smash-and-grab job.

The Republicans are looting the U.S. Treasury so their donors will keep funding their reelection campaigns. They don't even try to hide the corruption, and they don't worry about how many middle-class families get hurt in the caper. My take on this is pretty simple: I don't think a single middle-class family in this country should pay more in taxes so big corporations and millionaires can pay less. I think big corporations should pay more—not less—so we can cut taxes on working families and small businesses, so we can make investments in fixing our roads and our bridges and our power grid, so we can help young people reduce their student loan debt.

This is about basic fairness. We can build an America where every kid has a shot at success, where every family has some measure of economic security, where every senior has enough savings to retire with dignity. We can do that, and we can start by defeating this Republican tax giveaway.

Thank you.

I yield the floor.

The PRESIDING OFFICER. The Senator from Maryland.

Mr. VAN HOLLEN. Mr. President, let me start by thanking the Senator from Massachusetts for always telling it like it is because what we have before us in the Senate is going to do grave harm to our country, not just next year and the year after but for many years to come. We still have an opportunity to stop that from happening through our votes tomorrow.

Let me also say at the outset that we need to enact tax reform in the United States of America. We need to simplify. We need to streamline. We need to reform our Tax Code. We need to get rid of all of those tax loopholes that had been put in our Tax Code by powerful special interests that have been able to hire high-priced lobbyists and get something in our Tax Code, not because it is good public policy, not because it is good for the majority of Americans but because it is good for some group of special interests.

We need real tax reform. That is not what the bill in front of us does. What this bill does is take a Tax Code that is already stacked in favor of the most powerful and the most wealthy and rig it even more in favor of the most powerful and the most wealthy, and that is hard to do. You have to work at doing that.

Our Republican colleagues have succeeded in taking something that was already stacked in favor of those groups and making it even worse. That is why we see this effort to jam this bill through the Senate in just a few weeks because our Republican colleagues know the more the American public sees this bill, the more they will hate this bill, and the more they will realize it is going to mean their taxes are going up, in many cases, and harm to the American economy.

We debated the effort to repeal the Affordable Care Act in the Senate, not for a long time but at least over a couple of months' period. What happened is, as that debate went on, more and more people around the country engaged. All the nurses, all the doctors, and all the hospitals—I mean, rural hospitals, suburban hospitals, urban hospitals—said that is bad for our healthcare. This Senate, at the end of the day, did the right thing.

Unfortunately, the lesson learned was not to get the input from the American public but try to rush something through before people can figure out exactly what is in it, and that is what is happening in the Senate today and tomorrow.

One example of the harm this bill will do hasn't gotten a lot of attention. I want to talk about what this bill does in its changes to how we tax U.S. corporations that have operations overseas. These are big multinational corporations that have operations in the United States but also have the ability to move their plant and equipment overseas and hire people overseas instead of hiring Americans here at home. There is a provision in this Senate Republican bill that is going to dramatically increase the incentives for U.S. multinational corporations to move operations and jobs overseas, and here is why. Under this bill, American corporations that are doing business in the United States will pay a 20-percent corporate tax rate. It reduces the corporate tax rate down to 20 percent, but it also says something else. If you are an American corporation and you move your operations overseas, the profits you make on your overseas operations pay zero percent U.S. tax rate.

Immediately, you have an incentive to move your business from Baltimore City—or from any other city in this country or place in this country—to another place that has a lower tax rate. For example, Ireland has a 12.5-percent tax rate. If you move your business to Ireland, you are going to be paying 12.5 percent on your profits instead of the 20 percent you are paying here. If you move to Hungary, you are going to pay 9 percent on the profits you earn in Hungary; whereas, you would have paid 20 percent on your profits if you keep those operations in the United States. So immediately you have an incentive to move those operations overseas.

Even if you move those operations to a country that has a higher tax rate than, say, Ireland or Hungary, there are easy ways to put those profits you earn in a place like the UK or Japan and put them in lower tax areas like the Cayman Islands or Bermuda. Right off the bat, this creates a perverse additional incentive to put American jobs overseas.

So our Republican colleagues say: OK. Not to worry. We have a fix for this issue. We are going to create this minimum U.S. tax on large profits of overseas operations. In other words, if you are a U.S. corporation, you move to Ireland, you can make a certain amount of money there, but if you go over a certain amount, we are going to put a minimum American tax on top of the tax you pay in Ireland.

This is a problem when you rush through a bill like this. The problem is, the cure is worse than the disease. Here is why. Look at this chart. First thing you say is, there is a lower tax rate in Ireland than in Baltimore City so I am going to move some of my operations overseas—my plant and equipment. In fact, I am going to move $10 million of investment overseas. Now, in Ireland, I am going to be paying 12.5 percent on my profits, versus 20 percent here in the United States. That is a pretty good move.

Now let's see if this minimum tax has any impact and what the impact would be. Well, what the Republican tax bill says is that if your earnings overseas exceed 10 percent of your investment in tangible property—what is tangible property? The plant, equipment, your factory. So if you spend $10 million and move your plant, equipment, and factory overseas, you are going to be able to make a 10-percent profit there with no additional U.S. tax. But if you earn more than that—let's say you earn $1,200,000—instead of a 10-percent return, which would have been $1 million, aha, now this minimum tax applies but just to that excess profit. So you are now going to pay the lower tax rate in Ireland on your first million, but you are going to pay 10 percent on the $200,000. So you are going to pay $20,000 in U.S. taxes.

What if you don't want to pay even that? Here is what is so outrageous about this bill. I don't know if it is intentional or unintentional. If I am a U.S. corporation, the way I fix this problem is I move another $10 million worth of plant and equipment out of Maryland into Ireland. So now I have got my $10 million investment that I moved from Baltimore to Ireland, and I am going to move another one. Now, as long as I keep my overall returns to 10 percent, I am not going to pay that excess minimum tax. So if my first company has a 12-percent return and the second one has an 8-percent return, together they have a 10-percent return. So I end up, by moving more plant and equipment from the State of Maryland to Ireland, that I don't even pay that minimum U.S. tax.

In fact, every time I get close to having to pay that minimum U.S. tax, I can solve my problem by moving more American jobs overseas. That is insane. I hope our colleagues will take a look at this, because this is going to do great damage to the American economy.

You don't have to take my word for it. You have a lot of economists who have taken a look at this provision. I am just going to read from one. His name is Edward Kleinbard. He was the former chief of staff of the Joint Committee on Taxation. We all know they are the professionals. They are the nonpartisan professionals who analyze these bills. Here is what he had to say: "The administration's tax cut proposal is coupled with a territorial tax system, which permanently exempts foreign income from taxation; this will further tilt the playing field in favor of foreign, rather than U.S., investment."

I ask unanimous consent that the other quotations from the economists be printed in the RECORD.

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

Jared Bernstein, senior fellow, Center on Budget and Policy Priorities; former chief economist to Vice President Joe Biden:

"The Republican tax plan . . . . is likely to lead to more outsourcing of U.S. jobs and a larger trade deficit. The tax plan moves to what's called a territorial system of international taxation, which means the U.S. tax rate on the overseas earnings of U.S. foreign affiliates would become zero."

Rebecca Kysar, professor of law, Brooklyn Law School:

"A pressing goal of tax reform is to reduce the incentives for companies to move their operations overseas. This bill does the opposite."

Kimberly Clausing, professor of economics, Reed College:

The House and Senate Republican tax bills create a territorial tax system that "exempts foreign income from U.S. taxation. This tilts the playing field even further toward doing business abroad rather than at home, since there will always be countries with lower rates. A territorial system makes explicit and permanent the preference for foreign income over domestic income. It accelerates the profit shifting behind our corporate tax base erosion problem."

Carl Levin, former senator:

"The House and Senate tax bills would be a monumental mistake for the country for many reasons, but one compelling reason is the disastrous way they treat foreign corporate profits and encourage companies to shift their operations and the economic benefits of intellectual property overseas."

Richard Phillips, senior policy analyst, Institute on Taxation and Economic Policy:

"The most significant component of the Senate tax proposal on international taxes is moving to a territorial tax system, under which active income of U.S. companies earned offshore will no longer be subject to U.S. taxes. By doing this, the Senate tax plan moves in the opposite direction of real tax reform by substantially contracting the base of the U.S. corporate tax. According to the Joint Tax Committee, moving to the territorial tax system would cost $215 billion over the next decade. Exempting offshore income from U.S. taxation would encourage further profit shifting and would also create a tax incentive for corporations to move real operations and jobs offshore to take advantage of lower tax rates."

Steven Rosenthal, senior fellow, Tax Policy Center; former counsel to Joint Tax Committee:

"The Tax Cut and Jobs Act (TCJA) that the Senate is debating this week would fundamentally change the way U.S.-based multinational corporations are taxed on their overseas income. But contrary to the claims of President Trump and congressional supporters, the new approach may still encourage U.S. companies to shift production overseas."

Reuven Avi-Yonah, professor of law, University of Michigan:

Certain "multinational corporations (for example, GE or Intel) will pay less because they have more tangible assets offshore. This creates an obvious incentive to move jobs (not just profits) offshore. Moreover, the proposal standing on its own would induce profit shifting because of the combination of the participation exemption and the lower rate (12.5% is less than 20%)."

Chuck Marr, director of Federal Tax Policy, Center on Budget and Policy Priorities:

"Another, less-noticed provision would permanently set an even lower tax rate for U.S.-based multinationals' foreign profits by adopting a 'territorial' tax system, which would encourage firms to shift profits and investment offshore. As Senate Republican Ron Johnson said recently, 'With a territorial system, there will be a real incentive to keep manufacturing overseas.' "

THE FACT COALITION

"This bill would create significant new tax incentives to move U.S. jobs, profits, and operations overseas, while exploding the deficit. The bill's complicated structure also creates multiple new loopholes to allow for expanded tax avoidance by large multinational companies at the expense of small businesses and wholly domestic companies."

Victor Fleischer, tax professor, University of San Diego:

"The international provisions of the Senate tax bill are worse than I thought—a very nice gift to multinationals."

Mr. VAN HOLLEN. Now, to add insult to injury, this is not the only part of this bill that actually tips the playing field in favor of our economic competitors overseas and against the American worker and against the American taxpayer. If you look at the corporate tax cuts in this bill, they are permanent. They go on forever. Year after year, corporations will get that tax cut in the United States of America. Whereas, if you are an individual household in America, millions of middle-class taxpayers will see an immediate increase in their taxes. Some will see a small cut in their taxes for a period of time, but in the long run, those individual tax cuts go away, and the corporate tax cuts go on forever.

Of course, the theory behind this is trickle-down economics; right? You are going to give the very wealthy and big corporations the tax cut, and the benefits of that are going to trickle down and lift everybody up. I think we know that this theory has run aground and run into the wall of reality many times over.

Most recently, in the early 2000s, we had the Bush tax cut. It was the same theory—to cut taxes for the super-wealthy and somehow the benefits were going to trickle down and lift everybody up. I will tell you who it lifted up. The wealthy did even better. The other thing that went up is our deficit and debt, but everybody else was either running in place or falling behind. That was our most recent experiment in trickle down.

We also have an immediate present example of why this theory of giving big tax cuts to corporations and the idea that it is going to raise wages is just dead wrong. As we sit here tonight, American corporations are making record profits. That is a great thing. But guess what. Wages are flat. So by increasing the after-tax profits of those corporations, they are not going to use that extra money to raise wages. They are not doing it today. They are not doing it today.

The stock market will go up, and stockholders will definitely have greater value, because you are a corporation. The day after this tax bill gets passed, if it passes, your after-tax profits just went up. The stock market is doing great. The problem is, most Americans—the overwhelming amount of Americans—don't benefit from that rising stock market. We know the people who benefit most are the folks at the very top.

Here is the thing that I think many people will be surprised by. A very large group of those stockholders are not even American citizens. They are foreign stockholders—stockholders who have these investments in American corporations.

In fact, 35 percent of the stock in these corporations are foreign shares—35 percent of the value of that stock. So I can tell you that they are going to be clicking the champagne glasses in capitals around the world because those very wealthy foreigners are going to get a big tax cut. In fact, the Institute on Taxation and Economic Policy estimates that the value of the tax cut to foreign stockholders just in the year 2019 will be over $30 billion. That is in 1 year for foreign stockholders. In that same year, in 2019, taxes will go up by over $27 billion on American citizens.

There is great news for the American public. Some $27 billion are transferred from American households into the pockets of foreign stockholders—what a great deal for the American public. They are going to be thrilled to see that their hard-earned dollars are going to increase the bank accounts of foreign stockholders.

This is the kind of information that is beginning to come out as people get a chance to look more at the consequences of this bill. This is the exact reason that Republicans are trying to rush this through the Senate. I can tell you, when the American public sees that their taxes are going up to pay for foreign stockholders, I think all of us agree that they aren't going to like it.

The problem is this is also part of a pattern. The corporate tax cuts go on forever, and those foreign stockholders, every year—this is in 2019—keep getting a big windfall, a big bonanza. But if you are an American taxpayer, you are on the short end of the stick because millions of American middle-class families will see their taxes go up right away. As I said, others may see a small tax cut originally, but it will fizzle out.

So here is the overall impact. In 2019, you are going to see 13 million American families who earn less than $200,000 a year pay higher taxes under this Republican bill—13 million families. It gets worse from there because the benefits that some people will get in the short term begin to fizzle out and then get snuffed out altogether at the end of 10 years.

By the year 2025, it is going to go from 13 million middle-class American families to 19 million middle-class families who are going to be paying higher taxes. By the way, at the same time, the Republican bill will give a tax cut of an average of $40,000 a year to people who make more than $1 million a year.

It gets even worse for families in and after the year 2025 because all of the individual tax cuts expire. Tax cuts for the foreign stockholders keep going on. They go on forever. By 2027, the Republican plan will raise taxes on 87 million American families.

Now, we actually just had some information come out. It was just released to the public this evening. This is from the Joint Committee on Taxation. These are the folks who are the professionals who look at the impact of the tax bill. They analyze it, and they let people know the facts.

Here is what they said. When this bill runs its course in the year 2027—here is the bottom line—23 percent of American households are going to see their taxes go up, and 16 percent will see their taxes go down. So more American households will see their taxes go up than go down. Some 61 percent, they estimate, see virtually no change at all. Again, these are families, not corporations. The corporations, including those foreign stockholders, keep seeing the benefits.

Here is the other thing the Joint Committee on Taxation is telling us. Of the people who get a cut, the largest share of any one group are people who make $1 million and up. In fact, it says of those in that category, that 57 percent of the households will get a tax cut. Those are the millionaires. If you look at middle-income folks, there are much smaller percentages in those categories.

I just have to ask my colleagues how it is that you try to sell a plan as a middle-class tax cut when, at the end of the day, more Americans are going to see their taxes go up than go down. I think the American people are going to be more and more surprised if this bill passes as to what is in it.

So we have a chance to actually step back right now. We have a chance to step back and actually take a good look at the bill, and we can figure out which of these consequences are intended and which of these consequences are unintended. There is time to fix some of these issues.

The last point I wish to make is that in addition to middle-class families—millions of them who are going to have to pay more to pay for the big corporate tax cut—we are also going to see a number of other groups of Americans who are going to be hit hard. We know that millions of people who get their health insurance through the exchanges are going to see their premiums go up to pay for big tax cuts for corporations. We know that even after all of that—after those Americans have to pay more in premiums and after millions of middle-class families are going to have to pay more—we still have a $1.5 trillion debt.

I am just going to ask my Republican colleagues, with whom I have worked for many years and with whom I have agreed that we need to find a bipartisan way to reduce our deficits and debt rather than increase our deficits and debt, what their plan is.

Here is the secret—not really a secret, actually. I invite everybody to look at the budget that passed the Senate and the House of Representatives, because it tells us right there in the budget what the plan is to reduce some of that debt that will be increased because of tax cuts. The proposal is right there: A $1 trillion cut to Medicaid over 10 years, a $473 billion cut to Medicare over 10 years, and cuts to the whole category of our budget we use to invest in education.

So the bottom line is that this bill is going to provide whopping tax cuts to corporations. It is going to have the effect of encouraging and incentivizing more of those corporations to move jobs, plants, and equipment overseas, and it is going to ask almost everybody else in the country to pick up the tab. That is not the kind of tax reform the American people bargained for.

I urge my colleagues to take a step back, to work together on a bipartisan basis, and to come up with a plan that actually works for the country. I hope that can happen.

I yield the floor.

ADJOURNMENT UNTIL 10:30 A.M. TOMORROW

The PRESIDING OFFICER. Under the previous order, the Senate stands adjourned until 10:30 a.m. tomorrow.

Thereupon, the Senate, at 10:52 p.m., adjourned until Thursday, November 30, 2017, at 10:30 a.m.

NOMINATIONS

Executive nominations received by the Senate:

FEDERAL RESERVE SYSTEM

MARVIN GOODFRIEND, OF PENNSYLVANIA, TO BE A MEMBER OF THE BOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM FOR A TERM OF FOURTEEN YEARS FROM FEBRUARY 1, 2016, VICE SARAH BLOOM RASKIN, RESIGNED.

DEPARTMENT OF STATE

JOSEPH E. MACMANUS, OF NEW YORK, A CAREER MEMBER OF THE SENIOR FOREIGN SERVICE, CLASS OF MINISTER–COUNSELOR, TO BE AMBASSADOR EXTRAORDINARY AND PLENIPOTENTIARY OF THE UNITED STATES OF AMERICA TO THE REPUBLIC OF COLOMBIA.

IN THE NAVY

THE FOLLOWING NAMED OFFICER FOR APPOINTMENT IN THE UNITED STATES NAVY TO THE GRADE INDICATED WHILE ASSIGNED TO A POSITION OF IMPORTANCE AND RESPONSIBILITY UNDER TITLE 10, U.S.C., SECTION 601:

To be vice admiral

REAR ADM. NANCY A. NORTON

THE FOLLOWING NAMED OFFICER FOR APPOINTMENT IN THE UNITED STATES NAVY TO THE GRADE INDICATED WHILE ASSIGNED TO A POSITION OF IMPORTANCE AND RESPONSIBILITY UNDER TITLE 10, U.S.C., SECTION 601:

To be vice admiral

REAR ADM. RICHARD A. BROWN

WITHDRAWAL

Executive Message transmitted by the President to the Senate on November 29, 2017 withdrawing from further Senate consideration the following nomination:

AIR FORCE NOMINATION OF LT. GEN. LEE K. LEVY II, TO BE LIEUTENANT GENERAL, WHICH WAS SENT TO THE SENATE ON JUNE 15, 2017.