

We want a code that promotes economic growth and treats everyone fairly. A lot of Members have worked hard to develop ideas, but the reality is tax reform is not happening tomorrow. Reaching a comprehensive, bipartisan plan is going to take time, focus, and hard work.

I know something about that because I have put as much sweat equity into bipartisan tax reform as any Member of this body, starting with our former colleague Senator Gregg. We sat next to each other on a sofa every week for 2 years to write the first bipartisan Federal income tax reform plan in 30 years. Senator COATS has joined Senator BEGICH and I in this effort and we are not alone. Chairman CAMP has put forward an ambitious tax reform draft that lays out several ideas as well on how to make the Tax Code simpler. All of these proposals contain the kinds of ideas we ought to examine as we look to reform our Tax Code. Once the issue of these extenders is settled, I look forward to working with Senator HATCH and all our colleagues on a broad-based tax reform plan that will grow our entire economy.

In the meantime, it would be a mistake to leave American families and American businesses out in the cold. Temporary provisions of the Tax Code continue to expire, leaving jobs, innovation, investment, and people's homes in limbo. By providing certainty to businesses and families for the next 2 years, the EXPIRE Act creates the space needed for true tax reform. I don't want us to lose sight of that during this debate. These extenders are important, but we are also going to talk on the floor about building a bridge to reform that this country desperately needs. We know there are inequities in the Tax Code. The inability to have the certainty and predictability we need is holding us back.

We need to make sure we have a Tax Code that gives everybody in America the opportunity to get ahead, especially our hard-working, middle-class citizens, our entrepreneurs and businesses. Our people work hard for the money they earn each and every day. They want to pay their fair share, but when they are asked to contribute part of their paycheck each month, they deserve a tax system that is transparent and equitable. We need to simplify the code. We need to level the playing field. We need to get rid of the disparities between different types of income that elevates some workers over others.

I encourage all of my colleagues today to, first, back this legislation so we don't see, for example, innovation and our veterans and teachers suffer as we work toward bipartisan tax reform; second, to be open about sharing their ideas with the Finance Committee and all Members about innovative bipartisan reforms that can improve our entire Tax Code. Voters send us to work. They are looking for results. They don't want to hear excuses about why

families pay more for college or why homeowners face a huge tax bill after getting out from under a mountain of debt. Simply dropping those tax incentives sacrifices valuable priorities without getting the real job of comprehensive reform done. Let us pass the EXPIRE Act and let us move on to urgently needed bipartisan comprehensive tax reform.

With that, I yield the floor.

#### CLOTURE MOTION

The PRESIDING OFFICER (Mr. SCHATZ). Pursuant to rule XXII, the Chair lays before the Senate the pending cloture motion, which the clerk will state.

The assistant legislative clerk read as follows:

#### CLOTURE MOTION

We, the undersigned Senators, in accordance with the provisions of rule XXII of the Standing Rules of the Senate, hereby move to bring to a close debate on the motion to proceed to Calendar No. 332, H.R. 3474, an act to amend the Internal Revenue Code of 1986 to allow employers to exempt employees with health coverage under TRICARE or the Veterans Administration from being taken into account for purposes of the employer mandate under the Patient Protection and Affordable Care Act.

Harry Reid, Ron Wyden, Robert Menendez, Patty Murray, Barbara Boxer, Jon Tester, Debbie Stabenow, Maria Cantwell, Bill Nelson, Thomas R. Carper, Patrick J. Leahy, Brian Schatz, Mark R. Warner, Charles E. Schumer, John D. Rockefeller IV, Benjamin L. Cardin, Martin Heinrich.

The PRESIDING OFFICER. By unanimous consent the mandatory quorum call has been waived.

The question is, Is it the sense of the Senate that debate on the motion to proceed to H.R. 3474, an act to amend the Internal Revenue Code of 1986 to allow employers to exempt employees with health coverage under TRICARE or the Veterans Administration from being taken into account for purposes of the employer mandate under the Patient Protection and Affordable Care Act shall be brought to a close?

The yeas and nays are mandatory under the rule.

The clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. CORNYN. The following Senator is necessarily absent: the Senator from Arkansas (Mr. BOOZMAN).

The yeas and nays resulted—yeas 96, nays 3, as follows:

[Rollcall Vote No. 143 Leg.]

#### YEAS—96

Alexander	Cardin	Durbin
Ayotte	Carper	Enzi
Baldwin	Casey	Feinstein
Barrasso	Chambliss	Fischer
Begich	Coats	Franken
Bennet	Cochran	Gillibrand
Blumenthal	Collins	Graham
Blunt	Coons	Grassley
Booker	Corker	Hagan
Boxer	Cornyn	Harkin
Brown	Crapo	Hatch
Burr	Cruz	Heinrich
Cantwell	Donnelly	Heitkamp

Heller	McConnell	Schatz
Hirono	Menendez	Schumer
Hoeven	Merkley	Scott
Inhofe	Mikulski	Sessions
Isakson	Moran	Shaheen
Johanns	Murkowski	Shelby
Johnson (SD)	Murphy	Stabenow
Johnson (WI)	Murray	Tester
Kaine	Nelson	Thune
King	Paul	Toomey
Kirk	Portman	Udall (CO)
Klobuchar	Pryor	Udall (NM)
Landrieu	Reed	Vitter
Leahy	Reid	Walsh
Levin	Risch	Warner
Manchin	Roberts	Warren
Markey	Rockefeller	Whitehouse
McCain	Rubio	Wicker
McCaskill	Sanders	Wyden

#### NAYS—3

Coburn Flake Lee

#### NOT VOTING—1

Boozman

The PRESIDING OFFICER. On this vote the yeas are 96, the nays are 3.

Three-fifths of the Senators duly chosen and sworn having voted in the affirmative, the motion is agreed to.

The Senator from Tennessee.

Mr. ALEXANDER. Mr. President, does the Senator from Massachusetts wish to address the Senate at this time?

Mr. MARKEY. Mr. President, I ask that the Chair recognize the Senator from Tennessee.

The PRESIDING OFFICER. The Senator from Tennessee.

Mr. ALEXANDER. Mr. President, I thank the Senator from Massachusetts.

I ask unanimous consent that the junior Senator from Tennessee and I be permitted to engage in a colloquy, and I ask for the attention of the Senate.

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

The Senate will be in order. Senators will please take their conversations out of the well.

Mr. ALEXANDER. Thank you, Mr. President.

#### REMEMBERING HARLAN MATHEWS

Mr. President, a few days ago we lost a prominent Tennessean, Harlan Mathews. He was 87 years old, and he lived a long and distinguished life.

Harlan Mathews served in the Senate seat in which I now have the privilege of serving. When Senator Al Gore was elected Vice President more than 20 years ago—Harlan Mathews took his seat and then retired from the Senate after serving two years of his appointment.

But that was, by a long shot, not a description of his public service. Yesterday Senator CORKER and I were at his funeral and memorial service in Nashville, which was a beautiful service, a simple service, as he would have imagined. The theme that kept coming through again and again was what a fine mentor and unselfish public servant Harlan Mathews had been in our State for 60 years. He was a World War II veteran, came to Vanderbilt University, and in 1950 met a young Governor whose name was Frank Clement—a rising star in national politics. He became his assistant and served in a variety of State government positions with very

little interruption until he was appointed by Governor McWherter to serve for 2 years in Al Gore's seat. Twenty years ago Harlan Mathews decided not to run for reelection and has lived the past 20 years in Nashville. We were there with his wife Pat, his sons, and a host of friends.

What I think about Harlan Mathews is that other than his great friend former Governor Ned McWherter, no one had more friends around the State capitol than Harlan Mathews did.

So today we pay tribute to him and to his family for a life well lived, for his service to the State of Tennessee, and for being a man who has mentored as many young public servants of our State as anyone I can think of.

The PRESIDING OFFICER. The Senator from Tennessee.

Mr. CORKER. I too rise to talk about our friend and former colleague to many in this body, Senator Harlan Mathews.

It was touching yesterday to be at a funeral service where so many people he had mentored stood and talked in conversation around the gathering we attended about the great mentorship he provided. There is no greater legacy any of us can provide than to set an example for other people and to create opportunities for other people coming along.

I want to join the senior Senator, who I know served with him while he was Governor. I had the great opportunity to get to know him as a new and young commissioner of finance in our State, an appointed job, and no one—no one—was kinder to me than former Senator Harlan Mathews, who has been involved in so many great things that have happened in our State.

His wife Pat complimented him in an extraordinary way, saying I think one of his greatest attributes was his constantly saying: You know, so much can happen in this world if no one cares who takes the credit.

I think he was a quiet force for good in our State and a quiet force for good in our country. So many of the things that caused him to be the kind of person he was are things that many of us could emulate and cause the Senate and our country to function much better than it does now.

I join the senior Senator, for whom I have so much respect, in making sure the Senate record records the great work of Harlan Mathews—Senator, Deputy Governor, treasury leader in our State but also commissioner of finance. He is someone who provided years of great public service, years of great mentorship, and someone who has a legacy of people who served with him and under him who have gone on to do wonderful work for our State and country.

I yield the floor with great gratitude toward a wonderful public servant, Harlan Mathews.

Mr. ALEXANDER. I thank the Senator from Tennessee. Harlan was known for working quietly, and being

modest. The service was only about 40 or 45 minutes to reflect that.

He would have been a terrific Senator if he had been here for 25 years because of what we know about him. He wasn't out front. He was behind the scenes. He worked to get things done. He was always results-oriented, and he didn't mind who got the credit. Sometimes there is a shortage of that in the Senate—then and now today. He had those rare skills of the public servant that are always valuable and always needed.

I know his wife Pat, his sons Stan and Les, and his granddaughters Katie and Emily miss him deeply. We do as well, and we join them in admiring his life and his example.

I ask unanimous consent to have printed in the RECORD the obituary of Harlan Mathews detailing his public service.

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

#### OBITUARY

Harlan Mathews, an accidental Tennessean born in Sumiton, Alabama, who advised five Tennessee governors and served in the U.S. Senate, died today at the age of 87, his family confirmed.

Mathews, who recently was diagnosed with a brain tumor, died peacefully at Alive Hospice today at 6 a.m. with his wife Pat at his side.

Services honoring Mathews and celebrating his life are being scheduled at this time.

After serving in the U.S. Navy in WWII, Mathews received his B.A. degree from Jackson State University under the G.I. Bill. He arrived in Nashville in 1949 to attend Vanderbilt University. He would subsequently obtain a master's degree in public administration. Shortly after enrolling at Vanderbilt, Mathews took an entry level job with the State Planning Office, not knowing that serving the people of Tennessee would become his life's work.

In 1950, the 24 year-old Mathews met 30 year-old Frank Clement. Two years later, Mathews was the top assistant to the new Governor, a close friendship that continued until Clement's death in 1969. In 1961 Mathews was appointed Commissioner of Finance by Governor Buford Ellington. He held the post for 10 years, one of the longest tenures in state history.

In 1971, Mathews briefly left state government to work in the private sector in Memphis, but returned in 1973 to serve as the legislative assistant to longtime state comptroller William Snodgrass. The Tennessee General Assembly elected Mathews state treasurer in 1974 when his predecessor, Tom Wiseman, opted to run for governor.

Mathews remained state treasurer until January 1987 when he resigned to become deputy governor to Ned McWherter.

As deputy governor, Mathews was a low key yet forceful advocate of McWherter's legislative agenda and continued, as he had done as state treasurer and finance and administration commissioner, to protect the state's sound financial footing.

Upon U.S. Senator Al Gore's election to the vice presidency, McWherter appointed the most dedicated public servant he knew to fill the vacancy. Harlan Mathews was sworn in on Jan. 3, 1993, to represent Tennessee in the U.S. Senate.

Mathews never sought election to political office, preferring to serve the people of this state behind the scenes as a frugal manager

and mentor to dozens over the four decades of his public career.

Upon leaving the U.S. Senate in December of 1994, Mathews joined the Nashville office of the law firm of Farris, Mathews, Bobango PLC. He remained active in the legislature and politics, serving as an informal advisor and fundraiser for Gov. Phil Bredesen.

Throughout Mathews' career, he never took for granted the people he served and the responsibility he held. He was known as a soft spoken but tough negotiator who made sure state employees were paid good wages, and that the state's retirement system was sound, the debt low and the bond rating strong. He was a demanding boss who also made sure that his employees had a warm coat in cold weather. He was a leader, a statesman and a friend to all that knew him and to all of Tennessee.

Mathews is survived by his wife Pat, sons Stan Mathews (Sandy) and Les Mathews (Pam) and granddaughters Katie Zipper and Emily Mathews. He was preceded in death by his son Rick Mathews.

Honorary pallbearers include Steve Adams, Tom Benson, Carl Brown, Tom Cone, Nancy Ann DeParle, John Faber, Jim Hall, Don Holt, Carl Johnson, Dr. Joe Johnson, Jeremy Kane, David Lillard, JW Luna, David Manning, Raymond Marston, Mike McWherter, Clayton McWhorter, John Morgan, William Nichols, Roy Nix, Parker Sherrill, Arnold Tackett, Bo Roberts, Pete Sain, Dale Sims, Captain Bobby Trotter, David Welles, Bill Whitson, and "Harlan's Girls"—Estie Harris, Adrienne Knestrick, Katy Varney and Beth Winstead.

The family would like to give special thanks to his caring doctors—Dr. Craig Weirum, Dr. Chris Hill, Dr. Rentz Dunn, Dr. John Thompson and Dr. Robert Faber.

Mr. ALEXANDER. I thank the Senator from Massachusetts for his courtesy.

The PRESIDING OFFICER. The Senator from Massachusetts.

Mr. MARKEY. I seek recognition to speak for 5 minutes.

The PRESIDING OFFICER. Without objection.

#### ENERGY AND TAX EXTENDERS

Mr. MARKEY. Mr. President, two things happened yesterday:

First, the Shaheen-Portman energy efficiency bill collapsed—at least for now. It would have created 190,000 new jobs. It would have cut carbon pollution by 22 million automobiles on the roads of the United States in equivalency. That is a big deal. It is something that was agreed upon by Democrats and Republicans.

What happened? Well, too many Republicans wanted to vote on the Keystone Pipeline issue. They knew the vote on the Keystone Pipeline was going to fail because they don't have the votes in order to be successful, so they took a bill that would cut carbon emissions and said they wouldn't pass it unless they got a vote on three additional amendments to increase global warming emissions:

No. 1. Stop EPA from cutting emissions on powerplants. They wanted to vote to take away EPA authority on that.

No. 2. Allow massive export of natural gas that will actually increase costs to consumers in the United States and move us back to coal because the higher the price of natural

gas, the more people are going to go back to burning coal. They all understand that. That is what the game is all about.

No. 3. Prevent the Senate from considering global warming pollution controls in the future. That is right—just have a vote that prohibits the Senate from considering global warming pollution levels.

Obviously, this is a debate about pollution, not about energy efficiency, from the perspective of the Republican Party—although I give credit to the many Republicans who were working on a bipartisan basis with JEANNE SHAHEEN in order to put together a bill that actually accomplished something and showed this institution can work.

A second event actually happened yesterday as well. Two new climate studies were released saying that the West Antarctic ice sheet is collapsing and the melting of the West Antarctic is unstoppable. Twelve feet of sea level rise is coming.

Did you hear that? The West Antarctic ice sheet is collapsing, the melting is unstoppable, and 12 feet of sea level rise is coming.

What does that mean? That means Boston, underwater; South Florida, underwater; New Orleans, underwater.

In the Senate, we are moving at a glacial pace on climate change. We are frozen. But while we do nothing, the pace of glacial collapse is accelerating. The world's ice is melting.

The Senate has been called the cooling saucer of democracy. But when it comes to climate change, it is the warming plate, cooking the Earth as we continue our slide into an ocean of dysfunction.

The next major piece of the West Antarctic glacier that breaks off into the ocean should be reserved as an island for all of the climate deniers. We will just call it the Island of Deniers. They can all live there because there will be plenty of room on this huge, massive body of ice that keeps breaking off and heading into the ocean.

Secondly, we are about to take up tax extenders, and we have a fantastic chance to extend the production tax credit for wind in our country. Unfortunately, because of the unpredictability of the tax breaks for the wind industry, 30,000 people in the wind industry were laid off last year. That is not because the wind industry didn't prove it could increase the amount of electricity in our country generated from wind; it is because—unlike the oil industry, unlike the gas industry, unlike the nuclear industry, unlike the coal industry—the wind industry has to come in, hat in hand, to beg to continue their tax breaks year after year. There is no predictability for that marketplace. This gives us a chance to extend those tax breaks.

So it is a big challenge, but ultimately if the oil and gas industry is going to receive \$7 billion in tax breaks per year, the wind industry should receive the tax breaks it needs. We need

a level playing field. We need a way to ensure that there is, in fact, a fighting chance for these new renewable energy industries. The existing industries have received tax breaks going back 100 years. These newer industries are there. They are creating jobs at a massive pace, but we need to ensure that the tax breaks are there.

My hope is that we will be able to pass these tax extenders. Again, there are extensions for tax breaks that are in there for many industries across the board. It is the kind of bipartisan effort that deserves support, like the Shaheen-Portman energy efficiency bill. My hope is that the institution can work in order to accomplish that goal. Civility on matters such as these should not melt away. We need to make sure we are, in fact, protected for generations yet to come.

I yield the floor.

The PRESIDING OFFICER. The Senator from Utah.

#### NATIONAL POLICE WEEK

Mr. HATCH. I wish to take a moment to say a few words in honor of National Police Week. I would like to take this opportunity to honor the brave men and women of law enforcement who made the ultimate sacrifice and gave their lives in the line of duty while safeguarding our communities.

Since the first recorded police death in 1791, there have been 21,742 law enforcement officers killed in the line of duty. This year 112 names will be added to the National Law Enforcement Officers Memorial in Washington. We should remember that there are 112 families who grieve the loss of a loved one who gave his or her life to protect their community and to keep their fellow citizens safe.

Today I recognize two Utah law enforcement officers who recently gave their lives in the line of duty.

#### SERGEANT DEREK JOHNSON

Sergeant Derek Johnson had served with the Draper Police Department for 9 years when he was shot and killed while on uniformed patrol in the early morning hours of September 1, 2013.

During his service, Sergeant Johnson was the recipient of many awards, including a Life Saving Award and a Distinguished Service Award. He was also honored as the 2012 Community Policing Officer of the Year.

We take this time to think about the friends and family who mourn the loss of Sergeant Johnson and keep his wife Shante and his 7-year-old son Bensen Ray Johnson in our thoughts and prayers.

#### SERGEANT CORY WRIDE

Another recent tragic loss to the Utah law enforcement community was Utah County Sheriff's Office Sergeant Cory Wride.

Sergeant Wride was shot and killed while on duty on January 30, 2014, as he was assisting a stranded motorist.

Sergeant Wride served with the Utah County Sheriff's Office for nearly 20 years and served his community in var-

ious roles, including patrol and as a member of the department's special operations teams, K-9 and SWAT.

Sergeant Wride was married to Nannette, his wife of 18 years. He was the father of four boys and one daughter: Nathan, Chance, Shea, Tyesun, and KylieAnne. He also had eight grandchildren.

I wish to extend my sympathy to his family and recognize Sergeant Wride for his service, selflessness, and his courage.

I urge my colleagues to take some time this week to think about these men and pay respect to the numerous other fallen heroes who have served our communities with professionalism, integrity, and compassion, as well as all members of the law enforcement community who watch over and guard our streets, protect us, our families, and our communities.

#### TAX INVERSIONS

Last week I came to the floor to talk briefly about the news reports we have all been seeing about the proposed merger between Pfizer and AstraZeneca and the legislative proposals we are seeing from Members of Congress in response to the merger.

As you know, one of the key details in this merger is that when Pfizer—a large American company—acquires AstraZeneca—another large, but somewhat smaller UK company—they plan to incorporate the new merged company in the United Kingdom, not here in the United States.

As I said last week, I was as concerned to learn of these plans as were many of us here in Congress. After all, Pfizer is an iconic American company, with over 100,000 employees. It ranks in the top 200 of global companies by revenue, according to the Fortune Global 500 list. It would be a great loss to our country to see it incorporated offshore.

Still, it is difficult to blame them for this decision. According to sources, a desire to escape the high U.S. corporate tax is part of the motivation for this merger. This type of transaction, where a U.S. corporation merges with a foreign entity and incorporates elsewhere to escape the U.S. tax net, is sometimes referred to as an inversion.

Inversions are a growing problem here in the United States. Indeed, large companies are leaving our country at an alarming rate. If you count the number of American corporations in the worldwide list of Fortune 500 companies, you will see the number has declined dramatically over the past decade, which is very unfortunate. This decline means less capital and less investment in the United States. It means a smaller U.S. tax base. Most importantly, it means more jobs that could be created—that should be created—here in America are being created elsewhere. So make no mistake. Inversions are a big problem, and the problem seems to be growing every day.

As I mentioned on the floor last week, there are, broadly speaking, two

different ways Congress could act to address this problem. The first way would be to make it more difficult for a U.S. corporation to invert. That is the approach my friend the chairman of the Senate Finance Committee endorsed a few days ago in an op-ed in the *Wall Street Journal*.

As the chairman noted in his opinion piece, current law requires companies moving overseas to have at least 20 percent new ownership to avoid some very bad tax consequences. His proposal—the one he outlined in this article—would be to increase that benchmark to 50 percent for all inversions taking place after May 8 of this year. That means his proposed restriction would be retroactive for all inversions that happened between last Thursday and the date his proposal may be signed into law.

Of course, this is hardly a new idea. President Obama included a similar proposal in his budget. Given the amount of hand-wringing we have seen over just the Pfizer-AstraZeneca merger and the subsequent erosion of the U.S. tax base from my friends on the other side, you would think a proposal like the one the chairman floated in his op-ed would raise a significant amount of revenue. However, if you think that, you would be wrong.

All told, his proposal would raise roughly \$17 billion over 10 years. That is about \$1.7 billion a year. That is not really an insignificant sum, but it does demonstrate the scope of the problem is hardly worth the draconian solution some of my friends want to impose in order to solve it.

Let me be clear. I share my colleagues' concerns about the number of inversions that have taken place over the last few years. However, I do not believe that imposing confusing and arbitrary retroactive restrictions on U.S. companies is the answer. There is an alternative approach which brings us to the second way Congress could act to prevent more inversions.

The second way to address the problem of inversions is to make the United States a more desirable location to headquarter businesses. While it would require a lot of work and compromise, this is by far the better approach.

This approach, of course, means lowering the corporate tax rate. It also means replacing our antiquated worldwide taxation system. Under current law, U.S. corporations are taxed on their worldwide income, but foreign corporations are subject to tax only on income arising from the United States. In other words, we subject our corporations to a worldwide tax system, while subjecting foreign corporations to a territorial tax system. On top of that, most of our major trading partners tax companies domiciled in their own countries on a territorial basis as well, unlike our country.

Long story short: Our system of worldwide taxation places us at a competitive disadvantage and makes the United States a less than optimal place

for companies to locate their businesses. That being the case, as important as it is to get the corporate tax rate down, no matter how low we get that rate, we still need to scrap and replace our outdated worldwide tax system.

That is why tax reform is so important. It is just one of the reasons, of course, but it is a really important reason. Tax reform, if it is done right, will get at the root problem rather than simply dealing with symptoms.

I should note that inversions are only one symptom of our dysfunctional international tax rules. Other types of transactions further illustrate why the entire system we have is problematic.

For example, there are strong incentives currently for a U.S. parent company to sell its foreign subsidiaries to foreign corporations in order to escape the U.S. tax net. There are strong incentives to set up a startup business as a foreign corporation. Neither of these transactions are inversions, but they do show the point that it is, for tax purposes, often better not to be a U.S. corporation or to be controlled by one. While these other sorts of transactions don't grab the headlines, as inversions do, they are nonetheless indicative of real problems in our Tax Code.

That being the case, a proposal to restrict or eliminate inversions would really only go after one particular type of problem, leaving the rest of the fundamental flaws in our tax system firmly in place.

Proposals to restrict inversions or to impose some sort of management and control test are like trying to plug the dyke with your finger to keep capital and jobs from flowing overseas. These proposals are not long-term solutions. They are not even good short-term fixes.

Another example of business activity flowing overseas that really comes to mind is the problem we are facing with the medical device industry. We are losing our innovative medical device companies because of our stupid tax system and the 2.3 percent tax on sales or gross income of our medical device companies—many of which haven't made a profit yet. They would be taxed, even though they are not making profits, but will make profits if they can keep going with their innovative and good ideas.

We know, thanks to ObamaCare's medical device tax, that some of America's most innovative companies in an industry that is vital to our health care system are moving jobs overseas. Yet where is the call from the leadership on the other side to do something about this? In fact, there is nothing but stalling of legislation to solve this problem, which I think almost any intelligent person would want to do.

As it stands, it appears not to alarm my friends on the other side when business activity flees the country as a result of punitive taxes under ObamaCare. Yet, if a company with a large revenue base takes taxes into ac-

count when considering mergers and acquisitions, the alarm bells sound and legislation is put forward in no time. I would say there is a bit of inconsistency on the part of some of my colleagues who claim they want to keep jobs and business in the United States. If they do, why aren't they doing something about this stupid tax on medical device companies?

We had a vote on this earlier in the year, on a bill that didn't go through both Houses—and the leadership knew it wouldn't go through—where we had 79 votes in favor of abolishing this tax. There is wide bipartisan support to get rid of it. What is wrong with the other side that we have to continue to fight to get rid of something that 79 people in the Senate voted to get rid of? And by the way, I believe if we brought it up true blue, in and of itself, it would pass here with probably 95 votes, if people give any consideration to American business, American ingenuity, solving the problems of health care, bringing health care costs down, which medical devices can do, and saving lives. It is no small reason why some of these medical device companies are moving overseas where they are treated far better than we treat them here. We had 79 people who voted to get rid of that stupid tax. Yet the leadership of this body won't allow it to be brought up freestanding or on some bill that basically has a chance of passage through both Houses of Congress.

Now, there is, of course, bipartisan legislation that would correct the problems we face with the medical device tax; namely, a bill introduced by Senator KLOBUCHAR and myself. And I commend Senator KLOBUCHAR. She has had a lot of guts plus a lot of ability in working on this bill. Sadly, the Senate Democratic leadership has thus far refused to allow an up-or-down vote on the measure, even though we know it has broad bipartisan support, as I have heretofore mentioned.

My hope is this will change with the upcoming debate over tax extenders, but I am not holding my breath. Given our ongoing experience with the medical device tax, I have to say I am a little skeptical when my colleagues on the other side of the aisle say they are concerned about American companies moving addresses and operations out of the country. Indeed, if they were really so bothered by this, we would have repealed this medical device tax a long time ago.

Finally, I would just like to give a brief aside on the topic of retroactive changes to our tax laws. In my view, stability and predictability are bedrock principles of the law. When it comes to our tax code, we have gotten away from that over the years. Restoring these principles to our tax system should be one of our main goals of tax reform.

Put simply, retroactive changes to the law—the kind envisioned by my colleague's op-ed—are the antithesis of stability and predictability and will

only make tax reform that much harder. No matter how well intentioned, and no matter how large the short-run revenue gains are to be had from retroactive changes, I believe the long-term affects are harmful and, in my opinion, such proposals should be viewed with a healthy dose of skepticism. I know my colleague is very sincere in making the points that he has, but I have to rebut those points, and I believe I have done so effectively.

Once again, the effort to prevent tax-motivated inversions can be boiled down and separated into two basic camps: One side would have us simply address the problem and impose arbitrary and perhaps costly restrictions on American businesses to prevent them from leaving the country.

The other side would make the United States a better place to do business, preventing companies from wanting to leave in the first place and inviting new ones to form and prosper here.

Only one of these approaches will actually fix the problem. Only one of these approaches will help create jobs and grow the economy, and only one of these approaches will put our Nation on a path to greater prosperity. That approach is, of course, comprehensive tax reform. That is what is needed, and that is where our focus should be.

As I said last week, as the ranking member of the Senate's tax-writing committee, my focus, when it comes to the problem of inversions, is to fix the underlying problems, not to tinker on the edges, focusing on the symptoms. I hope eventually that is the approach we take.

I thank the Chair, and I yield the floor.

The PRESIDING OFFICER (Ms. HEITKAMP). The Senator from Maryland.

Mr. CARDIN. Madam President, first I want to thank Senator HATCH. I deeply respect his views. He is one of the most effective Members of the Senate. He has deep views and reaches across party lines to try to get things done, which I think is very important, and I respect him greatly.

I want to agree with the conclusion of Senator HATCH. The problem with corporate inversion is best fixed if we do comprehensive tax reform. I believe he is right. We have two paths we can take. One is to try and reform our current tax structure, which I think will not work, and I will give my reasons why; or we can look for a competitive tax structure that is fairer to the American people and makes measures such as corporate inversions something that would not be happening in our communities.

Pfizer and AstraZeneca are looking at a merger. AstraZeneca is a British company. They own major operations in my State of Maryland, affecting thousands of workers. We would think a merger between a British company and an American company would mean more jobs in America, but we know Pfizer has made certain commitments

to the British Government about maintaining and expanding jobs in Great Britain, which we worry is at the cost of American jobs and jobs in my home State of Maryland.

We have heard one of the reasons for the merger is corporate inversion. What do we mean by that? It means Pfizer, an American company, will merge with a British company and then use that to transfer its revenues, which are legitimately earned in America, many as the result of intellectual property developed in America, and then attribute that income to foreign sourced, rather than to domestic sourced, trying to avoid U.S. taxes.

Our Tax Code should not encourage that action. Several Members of the Senate and I are working within our current Tax Code to make sure that doesn't happen here in America. Our Tax Code should not encourage companies to take their income offshore. They should pay their fair share of taxes in the United States.

But as Senator HATCH pointed out, and I agree, we need a more competitive Tax Code. We need a Tax Code that would allow for better competition for American companies, for our manufacturers, for our producers, for our farmers, that will allow easier capital formations so we could raise in America more of the capital we need and be less dependent upon foreign-sourced investment, although foreign-sourced investment is certainly helpful to our country and something we encourage.

We need a Tax Code that is fair, that people believe they are being treated fairly with their neighbor, which is not the current situation. Most Americans cannot figure out the income tax code and don't know whether they are being treated fairly with other taxpayers, and we need a code that is much more efficient.

So one path we could pursue and that Senator HATCH was alluding to is to try to reform our current income tax codes—our corporate income tax code and our personal income tax code.

We have an example of that. Congressman CAMP has come up with a comprehensive proposal in the House of Representatives. I must say I don't think Congressman CAMP's proposal adds up from the point of view of producing the revenue we produce today, let alone the revenue we need in order to pay our bills and not be dependent upon borrowing money from other countries. But putting that aside, I think we see the difficulty in the Camp proposal, which causes major disruptions among different industries, and we are hearing from those industries that it would create major problems for competitiveness for the United States.

I think the most fundamental flaw with trying to reform our current Tax Code is we tried that once before in 1986, and it was comprehensive and it did spread the burden and it did reduce the rate. It lasted for less than 1 year before Congress continued to change the Tax Code.

Today we have tens of thousands of changes since the 1986 tax reform and we have many temporary provisions. That is why we have the bill before us right now to deal with these expiring tax provisions. I don't think there is any way of getting around these types of problems moving forward under our current Tax Code.

I will point out a fact I don't think most Americans have understood. If we look at all the OECD countries—the industrial countries of the world, countries that we like to compare ourselves to, countries that we want to be competitive with—of all the industrial nations of the world, the United States is near the bottom in regard to their reliance upon government services. In Europe they have much stronger government services in health care and housing and income support-type programs than we do in the United States.

If we rely less on governmental services, wouldn't that mean we should have the lowest competitive tax rates among the industrial nations? Instead, as Senator HATCH pointed out, we have the highest marginal tax rates among the industrial nations, and the reason is quite simple. Of all the industrial nations in the world, only the United States does not have a national consumption tax. We rely on income tax revenues. Why? Because we thought that was the right way to go, and we didn't have to worry about international competition. After all, we are America.

Guess what. We are in global competition today, and the tax rates of this country matter in regard to our manufacturers being able to sell products overseas.

One other fact about international competition. International competition rules at the WTO were developed based upon consumption taxes. So if a company manufactures an automobile in Germany and wants to bring it into the United States, the taxes they pay—the consumption taxes—are taken off of that product. So basically their autos sell in America tax free; whereas, U.S. auto manufacturers that have to pay taxes, those taxes still apply to the cost of the product because it is not border adjusted.

Then, to make matters worse, if they manufacture a car in the United States and try to sell it in Germany, they not only have to pay the corporate taxes here, the income taxes—because they are not taken off at the border, they are not border adjusted—when they go into Germany, they have to pay the value-added tax, the consumption tax. How do we compete under those circumstances? The answer is it is very difficult. In global competition today, we have to be smart.

This is why we should have the lowest marginal tax rates in the world. If we did, corporate inversion would not be an issue because we wouldn't find a Pfizer trying to pay British taxes when the U.S. taxes are the lowest taxes among the industrial nations of the world.

So I have a proposal called the progressive consumption tax. "Progressive," what do I mean by that? It means the taxes paid at the Federal level will be more reflective of a person's ability to pay than our current income tax code is. We make it progressive so it is fair, in that they pay according to their ability to pay a progressive consumption tax. That consumption tax rate will be the lowest among the industrial nations of the world.

I will give some examples. I will be the first to acknowledge we have to get these scored and these numbers can change as we go along, but we are looking at a consumption tax rate of about 10 percent. This would put us at the bottom of the consumption taxes among industrial nations. Individuals who earn under \$25,000 and families up to \$50,000 would pay no consumption taxes. They would get a credit for the consumption taxes they otherwise would pay.

Similar to the current income tax code where they do not pay income taxes, they would not pay consumption taxes. It would be immediately rebated to them. If they work, it would be rebated under the payroll tax payments. If they don't work, they would get a debit card to get instant rebates and use it as people use debit cards.

So we would make it progressive. We would then be able to start the income tax rates at \$100,000, approximately, of taxable income, and 90 percent of Americans would pay no income taxes. It would start at 15 percent. There would be an additional bracket of 25 percent, starting at \$40,000 of taxable income. So a progressive income tax, simplified, with only four deductions, not this complexity today as we figure out whether something is deductible and all the complications.

We would have four deductions for State and local—with respect to federalism—State and local taxes; for charitable deductions because our charities are critically important to carrying out the important work of our country, for real estate and the needs for the real estate to reflect—so we don't see destruction of the real estate market, and we also allow deductions for employer-provided health benefits and retirement benefits. It is simplified, it rewards simplicity, and allows for the progressiveness of fairness in our Tax Code that does not exist today.

The corporate tax rate would get down to 15 percent. That is what corporate America tells us we need to be competitive in the industrial world. This adds up.

Some say: Gee. Consumption taxes raise a lot of revenue. We put in our proposal an automatic adjustment of the rate to make sure it doesn't bring in more revenue than we say. So we are fair on the progressive side to make sure it is fair from the point of view of the ability of middle-class families to pay, and it is fair from the point of

view of those who are concerned about government growing, in that it has a circuit break as to the rate based upon the revenue that you need.

What have we accomplished by this? We have accomplished a much simpler Tax Code that people can understand, a fairer Tax Code, one that rewards savings. Savings are not taxed. There is a greater ability to raise capital in the United States. It is border adjusted, which means the taxes come off our exported products so we can compete globally in a much easier way. This is what we accomplish.

So when people talk about fundamental reform, to me, this is what we need to do.

I am going to move this proposal as quickly as I can, but obviously it is going to take some discussion and debate. We are hopeful we will be able to answer anyone's questions on it. We are very optimistic, but in the meantime what do we do? We can't just stand by and allow Pfizer to take American jobs overseas because of corporate inversion. So I hope we will stand for what is right in our Tax Code, that we have the capacity to improve our current Tax Code to avoid the loss of jobs and shipping jobs overseas, as well as working to reform our Tax Code and provide the type of structure so the country that relies the least on government among the industrial nations has the lowest tax rate and has a fairer system for all Americans.

#### RECESS

Mr. CARDIN. Madam President, I ask unanimous consent that the Senate stand in recess until 2:15 p.m.

There being no objection, the Senate, at 12:27 p.m., recessed until 2:15 p.m. and reassembled when called to order by the Presiding Officer (Mr. MURPHY).

#### HIRE MORE HEROES ACT OF 2014— MOTION TO PROCEED—Continued

The PRESIDING OFFICER. The Senator from South Carolina.

UNANIMOUS CONSENT REQUEST—S. 1670 AND S. 1696

Mr. GRAHAM. Mr. President, I have a unanimous consent request that I will make in a moment to kind of set the stage for what I am asking the Senate to consider. We will be asking that we schedule a vote on two pieces of legislation: the Pain-Capable Unborn Child Protection Act, S. 1670, which is my legislation; and S. 1696, the Women's Health Protection Act, by Senator BLUMENTHAL.

Very briefly, what I am trying to do is to have an opportunity for the body to talk about two pieces of legislation that relate to the abortion issue, the role of the Federal Government. Very quickly, my legislation would ban abortion at the 20-week period—the fifth month of pregnancy—based on the theory that the child can feel pain at that point in the pregnancy and that

the standard of care for the medical community is that you cannot operate on an unborn fetus at the 20-week period without administering anesthesia, and the reason for that is because the child can feel pain.

There have been individuals born at the 20-week period who have survived. But the theory of the case is not based on the medical viability under *Roe vs. Wade*; it is a new theory that the State has a compelling interest in protecting an unborn child at this stage of pregnancy. The partial-birth abortion ban, which applies at 24 weeks, is backed up to 20 weeks.

Here is what medical journals tell parents to do at 20 weeks: An unborn child can hear and respond to sounds. Talk or sing. The unborn child enjoys hearing your voice.

It is a whole list of things about the unborn child in the 20-week period.

We are one of seven countries that allow abortions at this stage in the pregnancy, along with China, North Korea, Vietnam, Singapore, Canada, and the Netherlands.

So I would ask the body to consider having a debate on my legislation about whether we should limit elective abortions at the 20-week period and also a debate on Senator BLUMENTHAL's legislation that basically would allow the courts to set aside several State restrictions on abortion. We are going to present a series of actions at the State level. I think his legislation would allow the courts to have a literal construction in terms of being able to strike down these provisions. I disagree with my good friend. We are good friends, although we have a different view. The Senator from Connecticut made a statement when he introduced the bill that every Senator should be on the record when it comes to this legislation. I agree. I hope every Senator would be on the record when it comes to my legislation.

Mr. President, I ask unanimous consent that at a time to be determined by the majority leader, in consultation with the Republican leader, the Senate proceed to consideration of S. 1670, the Pain-Capable Unborn Child Protection Act, and S. 1696, the Women's Health Protection Act; that there be up to 8 hours of debate equally divided in the usual form, to run concurrently; that there be no amendments, points of order, or motions in order; that upon the use or yielding back of the time, the Senate proceed to vote on S. 1670; that following the disposition of S. 1670, the Senate proceed to vote on S. 1696; and that both bills be subject to a 60-vote affirmative threshold for passage.

The PRESIDING OFFICER. Is there objection?

The Senator from Connecticut.

Mr. BLUMENTHAL. Thank you, Mr. President.

Reserving my right to object, and I will object, I respect my friend and colleague from South Carolina. We are friends, and we agree on a lot of issues.