people got sick. So you were paying maybe $1,000 or more a month, and that was for insurance coverage. Then, if somebody got sick, you had another $12,000 that potentially would kick in before your insurance plan helped at all.

Not only was that not real coverage, but it clearly wasn't access. It clearly didn't provide the opportunity to go to the doctor and have the kind of healthcare you need so you don't have a tens of thousands of dollars healthcare crisis that arises needlessly. Some of us will have those problems no matter how well we take care of ourselves, but access to healthcare matters, and healthcare that works where you live matters. Frankly, that is the plan Senators CASSIDY and GRAHAM have come up with—a plan that would take the decision making for government-assisted healthcare out of Washington and put it back in the States.

When one of my Congressmen from Southwest Missouri was a freshman Congressman, decades ago in the House of Representatives, he was on the committee at the time that wrote the laws and regulations for Washington, DC. Somebody asked him why he thought he was smart enough to write the laws for Washington, DC. His hometown happened to be Sarcoxie, MO.

He said: In my hometown, almost everybody knows where Washington, DC, is, but here in Washington, almost nobody knows where Sarcoxie is. Does that mean the people in Sarcoxie are a lot smarter than the people in Washington? Maybe not, but it meant they probably knew what was better for Sarcoxie than the people in Washington did.

So what Senators GRAHAM and CASSIDY are talking about is looking at taking all the money we are currently spending in this government-assisted healthcare world and divide it up among the States in a more equitable way. Right now, four of the States get about 37 percent of all the money. You don't have to be a math genius to figure out that means the other 46 States must get about 63 percent of all the money. Now, if 37 percent of all people in the country lived in those four States, that might be a reasonable way to divide up the money or even if 37 percent of people with income and health needs that were so significant they needed more help than everybody else lived in those four States, that might be a reasonable way to divide up all the money, but neither of those things are true. What this plan would do would be to look for a new way to more fairly allocate the money we spend on healthcare and then let State governments experiment with what to do about that.

Jefferson said, in our system, the States had the unique ability to be laboratories for change because they could try things and see if they worked and then share with the other States what worked, but there was no vision at the time that the Federal Government was the best place to do everything. This is really sort of a debate between are you for federalism or are you for government-run everything.

I guess 30 percent of the Democrats in the Senate, just a few days ago, said they were for government-run everything in healthcare. They were for single-payer healthcare. I am not for that. I don't think that is the best way for our system to work or to find the healthcare innovations we need or the access to healthcare people in desperate moments should always have, but I do think we could do a better job serving healthcare needs for people in the 50 States and the territories if, in fact, we gave them more authority to do that.

First of all, in all likelihood, you will get your healthcare in the place you live, and you are more likely going to be able to get access to the same healthcare your local State representative gets, where it is not just me arguing for what is good for Missouri or my colleague in the Senate arguing for what is good for our State or the eight people we have in the House. It takes all 163 house members in our State, the 34 senators, and the Governor leading to have a real understanding of where 200 legislative families get their healthcare and where 200 people who are making that decision—who see people at school and the grocery store—that is a lot different than just seeing 10 people, sending them to Washington, and saying: Why don't we adjust the one-size-fits-all system so it serves our State better.

If you have ever bought any one-size-fits-all clothes, you are a very unique person if they actually fit you. One-size-fits-all almost never fits anybody. Even in a State, it is hard enough to come up with a plan that fits everybody in the State in the best possible way, but we would be much more likely to do that than we would to suggest what happens in Manhattan and what happens in Marshfield, MO, are the same thing because they are not. People in New York are going to come up with a more likely way to address those issues and figure out what healthcare is there, what they need to do to augment it, what they need to do to be sure it is available to the most people in the most cost-effective way, and in Jefferson City, MO, they are more likely to answer all of those questions for our State than, frankly, they are at the Department of Health and Human Services in Washington, DC.

Even if they want to do that—even if they are all Missourians who take over the Department of Health and Human Services, their goal would not be to figure out what is best for where I live. Their goal would be to come up with one plan that is best for the whole country, and it is just not working very well.

First of all, it is not working very well because it is clearly not divided in an equitable way. No matter what formula you put in place, four States having that much of the money spent in their States is not the right kind of system to have. There are ways to adjust for need, there are ways to adjust for location, but those ways are not going to be found in waivers Governors would ask for but are more likely to be found in State capitols than they are here.

This is the classic example of why our government has worked as long as it has in so many areas, but every time we try to become responsible for everything at every level, we mess up. Every time we think different regulations have to be passed by city government, county government, State government, Federal Government, that never works very well.

This is an opportunity to say to States: We are going to let you be responsible for devising a system for people in your State that meets the needs of people in your State, and we are going to do that in a more effective way than has been done in the past. The growth of healthcare programs has never been allowed to be looked at in a way where you look at all the programs and put them together in a way that really works.

So we are going to have an opportunity to make a big decision about the future of healthcare. We are going to be deciding, among other things, do we trust people to make that decision who are closer to the problem or do we think it is better to try to solve the problem further away from the problem. I think the right answer here is, clearly, what we are doing isn't working.

Let's take advantage of the Constitution and the Federal system of government, and let's come up with a plan that uniquely can work—in Florida where you live, in Missouri where I live, in Louisiana where Senator KENNEDY lives—that has a unique opportunity to serve the families where the No. 1 thing they take most personally is the health and welfare of their family. Everybody has to deal with this. Let's try to create an environment where everybody gets to deal with this where there is the greatest opportunity, greatest sensitivity, greatest availability, and greatest understanding of how, if those things aren't working, to uniquely come up with a solution to the problems in that State that are very likely not the problems that need to be solved in the entire country.

Mr. President, I yield the floor.

The PRESIDING OFFICER. The Senator from Louisiana.

TAX REFORM

Mr. KENNEDY. Mr. President, I wish to change the subject slightly. I will be back on the floor next week to defend my good friend and colleague Senator CASSIDY's ideas on the reform of healthcare for America. He received a letter today from our Governor and the Secretary of our Department of Health and Hospitals, which, in my opinion, espouses points of view on healthcare that are not in the best interests of the people of Louisiana.

Just for a moment, I want to talk about tax reform because that is the other big issue in front of us.

Like the Presiding Officer, I have been in government for a while. I have great respect for professional economists, but it has been my experience that for every economist, there is an equal and opposite economist, and they are both usually wrong.

Economics today is more art than science. That is why I say it doesn't take an expert economist to see that something is wrong with the American economy.

Mr. President, 2016 was the 11th straight year our economy failed to achieve 3 percent annual growth, which has been our average annual growth every year since 1960. I have heard numerous pundits act like returning to 3 percent growth is something special, something extraordinary. No, sir, look at the numbers. It is just average, and I think the American people deserve better than just average growth, but even average growth is optimistic if we keep hamstringing the men and women who create the jobs in this country.

Our 40 percent business tax rate—let me say that again. Our 40 percent business tax rate and our broken Tax Code are chasing our ideas, our jobs, and our investors into the open, waiting arms of foreign countries. Our 40 percent business tax rate and our broken Tax Code are keeping wages and productivity low, they are crippling our small business women and small business men, and they have to go.

When we are talking about tax reform, I think it is very important that we not forget the primary vehicle—not the only vehicle but the primary vehicle for economic growth in America is the middle class, which is what I want to talk about for a moment, tax relief for ordinary people.

My constituents tell me every day: KENNEDY, we look around in our economy today, and we see too many undeserving people at the top getting bailouts, we see too many undeserving people at the bottom getting handouts, and we are in the middle and we get stuck with the bill.

They say: KENNEDY, we can't pay it anymore because our health insurance has gone up—thanks to ObamaCare—our kids' tuition has gone up, and our taxes have gone up. I will tell you what hasn't gone up, our wages and our income.

They feel that we in Washington don't listen and we don't care. They feel like they have no voice and no chance, and that anger is understandable.

This bar graph shows U.S. real median household income going all the way back to 1999. We can see where it was in 1999: slightly over $58,000. This is median household income. Of course, it took a dip in 2012 as a result of the recession, but look where we are in 2016. We are practically right where we were in 1999.

The middle class—the ordinary people of America—has made virtually no progress, and they have every right to be angry about that. It has been 16 years since President Bush's tax cuts, since the middle class has gotten a tax break. That is why I wanted to come to the floor today. Somebody has to speak up for the ordinary people of America and for our middle class.

Middle-class families drive our economic engine. We are a consumer economy. Seventy percent of our economy is based on consumers. They buy the goods and services our businesses are selling. They work hard to be able to spend and save and invest. Most middle-class Americans get up every day, go to work, obey the law, pay their taxes, try to do the right thing by their kids, and they are falling further and further and further behind. Now, as they are trying to balance a checkbook, nearly one-third of their income is automatically withheld and sent off to Washington, DC. They never even see it. Come April, they may owe even more on their savings and investments. If you don't believe me, look at the numbers. You think America is broke? Between October 2016 and January 2017—just one quarter—the U.S. Treasury set a brandnew tax revenue record of $1 trillion—$1,084,840,000,000. A lot of that money came out of the hides of ordinary people.

I will give you an example. Right now, if you are a middle-class family in Alexandria, LA—right smack dab in the middle of my State—you have a household income of $59,000. You have two children. You want your children to have a better future than you had. You claim all your exemptions and you take the standard deduction. You are going to be paying the Federal Government about $3,500 a year.

That is not even counting what that middle-class family has to pay in State and local taxes or their payments to Social Security or Medicare. By the time their bills are paid and by the time they put gas in the car, that doesn't leave them much to work with.

I have an idea about how tax reform can target the middle class and bring ordinary people some badly needed relief. Seventy percent of Americans opt to take the standard deduction when filing their taxes—70 percent. They do that because it is simple, it is fair, and it requires less documentation than itemizing. In 2014, this option—this standard deduction—saved taxpayers of America about $217 billion. Yet they are still having trouble getting ahead. If Congress were to make one simple change as we enter upon this endeavor that we call tax reform—I call it tax cuts—like doubling the standard deduction across the board for everybody, including but especially the middle class, that would potentially inject about $600 billion back into our economy over 10 years. That is according to a 2014 CRS report. That would be an immediate shot in the arm to the American economy.

That family of four in Alexandria, LA, whom I just talked about would have their Federal tax bill cut to $1,700, freeing up almost $2,000 of their hard-earned income. That is $2,000 toward a new car, a new lawn mower, fixing their home, putting money back into their business, or saving money for their children's college education. It is pretty simple. It is also $2,000 right back into the economy.

As the cost of earning more is reduced, people will want to work harder. I believe people respond to incentives—not just Americans, but that is human nature. That means more productivity and more growth. It is economics 101. Unless you were throwing a frisbee in the quad, you were in an economics 101 class, and you know that if you give people more to spend and they spend it, the economy is going to grow in the process. I believe, Mr. President, as I know you do, that people can spend their own money better than the government can.

The strength of the middle class was the cornerstone of our past economic growth, and I think it will be the key to our future.

I have said it before, and I will say it again: We do need tax reform for businesses. I repeat: We do need tax cuts for businessmen and businesswomen—not just for the large C corporations but also for the passthroughs, the LLCs, the LLPs, the sub S corporations, and the sole proprietorships and family farms.

If tax reform does not include relief for the middle class, if it doesn't include relief for ordinary Americans, then we will lose a historic opportunity. It will be another generation before we will have this opportunity again, and we will never get our economy back on track unless we can close that loop.

We need to liberate the middle class and their power to spend and their power to save and renew their belief in the American dream. A tax reform policy that provides relief to the middle class, such as doubling the standard deduction—that certainly is not the only way to do it, but it would certainly do the trick—will give people the incentive to work and to save and to invest.

Our economic fate is tied to the health of our middle class. I am not saying that other parts of our great Nation, our economy, are not important, but the bedrock is the middle class. The bedrock is small business. And it is high time that we offer ordinary Americans a tax code that believes in them.

With that, Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

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

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

CLIMATE CHANGE

Mr. WHITEHOUSE. Mr. President, each week that you see me standing here means another week in which the Senate of the United States has sat out doing anything to address climate change and another week of carbon pollution streaming into our atmosphere and oceans. Carbon dioxide from burning fossil fuels is changing our atmosphere and our oceans. We see it everywhere. We see it in storm-damaged homes and flooded cities. We see it in drought-stricken farms and raging wildfires. We see it in fish disappearing from warming, acidifying waters. We see it in shifting habitats and migrating contagions.

All these harms we see carry costs—real economic costs—to homeowners, business owners, and taxpayers. That cost to homeowners, business owners, and taxpayers is known as the social cost of carbon pollution. It is the damage that people and communities and States suffer from carbon pollution and climate change. The Office of Management and Budget last calculated the social cost of carbon to be around $49 per ton of carbon dioxide emitted. If you just do some simple math, you can multiply the total measured U.S. emissions coming from energy production alone in 2016—that is emissions of over 5.7 billion tons of CO_2—by the $49 cost per ton. It is pretty simple math: $49 times 5.7 billion tons gives you about $280 billion. So $280 billion is the annual cost that the fossil fuel industry offloads onto the American public in harm from the carbon dioxide emissions. That is a big number and a big consequence—$280 billion per year.

There was a more complex analysis than my simple math that was done by the International Monetary Fund. The International Monetary Fund has a lot of smart people. They don't have any conflict of interest that I am aware of in dealing with this issue. Their calculation puts the annual subsidy just in the United States of America for the fossil fuel industry at $700 billion per year.

So is it my simple math where the social cost of carbon is $280 billion per year or is it what the International Monetary Fund calculated at $700 billion per year? Whichever it is, it is a big enough harm to the American public that you would think we might do something about it here in the Senate. But of course, we don't because that huge social cost of carbon, that huge subsidy gives the fossil fuel industry the biggest incentive in the world to—instead of fixing up its situation and cleaning up its mess—come over here and instead mess with our politics so that our ability to deal with this issue is silenced by their political muscle and manipulations.

One way in which they play this game is to populate the climate denial machinery with one-eyed accountants—accountants who can only see the pollutants' side of the ledger. Honestly, we hear their testimony. The only thing they see is the cost to polluters of reducing their pollution. They don't see the public harm side of the ledger. They pretend it is a liberal conspiracy cooked up by the Obama administration. Or say you are the Republican chairman of the House Science Committee and you say: The social cost of carbon is a ''flawed value . . . to justify the [EPA's] alarmist reasoning for support of the Clean Power Plan and other climate regulations.''

Actually, if you take away the bad words ''flawed'' and ''alarmist'' and all of that stuff, the statement is actually true. There is a value to avoiding carbon pollution, and defending that public value from the polluters does justify the Clean Power Plan. This is the social cost of carbon. Let's go back for a minute to 2006, when the Bush administration's National Highway Transportation Safety Administration put out a rule for vehicle fuel economy standards. There was some dissatisfaction with that rule. States and other stakeholders complained that this rule failed to take into account the social cost of carbon emissions from cars—something that should matter for a rule that is looking to reduce emissions from cars. Well, that went up on appeal to the U.S. Court of Appeals for the Ninth Circuit, and in 2007, the Circuit Court of Appeals agreed. The court acknowledged that there is a cost of carbon pollution, and that cost is ''certainly not zero.'' So it told the agency to go back, redo the rule and to come up with a real social cost of carbon. Thus was born the legal requirement that agencies consider a social cost of carbon in decisions.

Because of this decision, the Bush administration produced a wide range of numbers up to $159 per ton of carbon emissions. The Obama administration continued the effort to calculate a social cost of carbon. An interagency working group, including scientists and economists from across the Federal Government, relied on existing scientific literature and on well vetted scientific models to produce a first standard in 2010, with additional updates in 2013, 2015, and 2016.

When Federal agencies didn't apply any social cost of carbon, courts corrected them. In 2014, a Federal judge in Colorado faulted the Bureau of Land Management for failing to account for greenhouse gas emissions when it approved an Arch Coal mine expansion in the Gunnison National Forest. The court suspended the approval until the Bureau of Land Management either used the social cost of carbon or gave a valid explanation as to why not. When agencies did use the social cost of carbon, their decisions were upheld. In 2016 the U.S. Court of Appeals for the Seventh Circuit upheld the Department of Energy's use of the social cost of carbon in the agency's standards for commercial refrigeration equipment. The industry objected, and on appeal, the Seventh Circuit said: No, they did the right thing putting that in there.

Just last month, a three-judge panel from another U.S. circuit court of appeals—in this case, the U.S. Court of Appeals for the District of Columbia Circuit—ruled that the Federal Energy Regulatory Commission has to consider the effects of carbon emissions that would result from building three pipelines in the Southeast. Specifically, the ruling directed FERC to either better calculate the project's carbon emissions, using the social cost of carbon, or explain why it didn't use it.

Also last month, another U.S. district court blocked another coal mine expansion in Montana, citing the agency's failure to assess the environmental effects of coal. Specifically, the judge referenced the agency's failure to include any social cost of carbon.

Just last week a Federal appeals court in Denver told the Bureau of Land Management that its lack of analysis on the climate effects of four coal leases in the Powder River Basin was ''irrational'' and told them to start over.

It is not just Federal courts. Agencies at the State level are also using the social cost of carbon pollution in their activities. The New York Public Service Commission affirmed the importance of the social cost of carbon in its zero-emissions credit program. The Illinois State legislature also incorporated a social cost of carbon into its zero-emissions credit program, and prevailed in a challenge in the courts. These State zero-emissions programs were the programs that were rolled out to help existing nuclear energy providers against competition by natural gas plants. The carbon price allowed carbon-free nuclear generation to better compete in the wholesale markets.

Up in Minnesota, since 1993, the Minnesota Public Utilities Commission has required utilities to consider the estimated cost of carbon emissions in planning for new infrastructure projects. This year, the commission voted to raise its social cost of carbon to $43 per ton.

The Colorado Public Utilities Commission recently ordered the local utility Xcel to use the social cost of carbon in its resource planning documents. Colorado told its utilities to use $43 per ton starting in 2022 and to ramp up to nearly $70 per ton by 2050.

It is not just Federal courts and State agencies. Private companies in the United States and around the globe are incorporating the social cost of carbon into their own operations and accounting. Investors are beginning to demand that corporations perform this kind of analysis in order to qualify for investment. Big investors like Black Rock have taken on big companies like Exxon in order to break through the denial.

Just last week, the Washington Post reported that 1,200 global businesses either have adopted or are adopting a carbon price in some form. The Center for Climate and Energy Solutions found that companies like Microsoft,