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Senate

The Senate met at 9:30 a.m. and was called to order by the Honorable RAND PAUL, a Senator from the Commonwealth of Kentucky.

PRAYER

The Chaplain, Dr. Barry C. Black, offered the following prayer:

Let us pray.

Almighty God, the foundation of true wisdom, You extend Your powerful dominion over the universe. Stand by our lawmakers, and protect them with Your might. Lord, refresh them with Your wisdom as You prepare them not only for time but eternity. Lord, we praise You for ethically congruent lawmakers, who, in their inmost beings, are true and honest. Give us more Senators who are as true to duty as the needle to the pole. Give us more legislators who are not afraid to call sin by its right name. Lord, provide us with more patriots who will stand for right regardless of the consequences.

We pray in Your sovereign Name. Amen.

PLEDGE OF ALLEGIANCE

The Presiding Officer led the Pledge of Allegiance, as follows:

I pledge allegiance to the Flag of the United States of America, and to the Republic for which it stands, one nation under God, indivisible, with liberty and justice for all.

APPOINTMENT OF ACTING PRESIDENT PRO TEMPORE

The PRESIDING OFFICER. The clerk will please read a communication to the Senate from the President pro tempore (Mr. HATCH).

The legislative clerk read the following letter:

U.S. SENATE,
PRESIDENT PRO TEMPORE,
Washington, DC, October 25, 2017.

To the Senate:

Under the provisions of rule I, paragraph 3, of the Standing Rules of the Senate, I hereby

appoint the Honorable RAND PAUL, a Senator from the Commonwealth of Kentucky, to perform the duties of the Chair.

ORRIN G. HATCH,
President pro tempore.

Mr. PAUL thereupon assumed the CHAIR as Acting President pro tempore.

RESERVATION OF LEADER TIME

The ACTING PRESIDENT pro tempore. Under the previous order, the leadership time is reserved.

CONCLUSION OF MORNING BUSINESS

The ACTING PRESIDENT pro tempore. Morning business is closed.

EXECUTIVE SESSION

EXECUTIVE CALENDAR

The ACTING PRESIDENT pro tempore. Under the previous order, the Senate will proceed to executive session and resume consideration of the Palk nomination, which the clerk will report.

The legislative clerk read the nomination of Scott L. Palk, of Oklahoma, to be United States District Judge for the Western District of Oklahoma.

The ACTING PRESIDENT pro tempore. Under the previous order, the time until 10:30 a.m. will be equally divided between the two leaders or their designees.

RECOGNITION OF THE MAJORITY LEADER

The majority leader is recognized.

TAX REFORM

Mr. McCONNELL. Mr. President, Senate Republicans had a productive discussion with President Trump yesterday about our shared agenda. We were particularly focused on how to bring tax relief, economic growth, and jobs to the middle class through tax reform.

It is clear we share a lot of the same goals. It is clear we are united in an ef-

fort to take more money out of Washington's pockets and put more in middle-class pockets. It is also clear we are all excited about this once-in-a-generation opportunity to get America going again and growing again.

So we are watching our friends in the House with anticipation as they consider the comprehensive, responsible budget that cleared the Senate last week. We anticipate they will pass it by the end of the week. Once they do, we will have important legislative tools to move tax reform forward. That is something everyone can look forward to. More importantly, that is something the American people deserve, especially after so many years of an economy that failed to reach its potential—an economy that, so often, failed them.

Tax reform represents the single most important thing we can do today to get the economy reaching for its full potential. We are looking forward to taking the next steps very soon to get it done.

Mr. President, on another matter, I would like to again commend President Trump for the outstanding judicial nominees he has sent us this year. So far, every nominee we have brought to the floor has been confirmed by a majority vote in the Senate. In some cases, those majority votes have been bipartisan and massive, like 95 to 1, like 97 to 0. Yet almost every time a judicial nominee is brought to the floor—even nominees with votes like these, nominees whom both parties support—Democrats throw up partisan procedural roadblocks. For what reason? Certainly, it is not to change the outcome. No. Like I said, in many cases, Democrats actually support the nominees. They are just wasting more of the Senate's time because they can. They are doing it again now. Let's take the two judicial nominees who are currently before the Senate.

First, there is Scott Palk. After nearly two decades as a State and Federal

• This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.



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prosecutor, Mr. Palk has the legal skill and community support to excel as a U.S. district judge for the Western District of Oklahoma. The Senate Judiciary Committee approved his nomination by a large, bipartisan vote of 17 to 3.

Then there is Trevor McFadden. Mr. McFadden's sterling record of public service makes him an ideal candidate for the U.S. District Court for the District of Columbia. Not a single Member—not one—of either party opposed him.

These nominees should have sailed to confirmation yesterday. Instead, Democrats are forcing us to waste time so we can again arrive at the exact same conclusion, but simply later this week.

This really has to stop.

In President Obama's first year in office, Republicans forced this procedural hurdle for a single judicial nominee, and it was a controversial one.

Let me say that again. In President Obama's first year in office, Republicans forced the procedural hurdle we have had to endure many times for one nominee, and that nominee was controversial.

In President Trump's first year in office, Democrats have forced this procedural hurdle for every single judicial nominee except one, even if they actually supported him or her in the end. This is just the kind of partisan game that Americans are so sick of.

President Trump should be commended for his strong judicial picks. The Senate is going to keep working hard to confirm them, and we are going to succeed. The only question is whether the Democrats are going to keep wasting more of the Senate's time getting there. I hope they won't. I hope they will end these pointless games so that the Senate can keep its time and focus where it belongs.

I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

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

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

RECOGNITION OF THE MINORITY LEADER

The Democratic leader is recognized.

Mr. SCHUMER. Mr. President, good morning.

COMMENDING SENATORS FLAKE AND CORKER

Yesterday we all learned that our colleague Senator FLAKE will be retiring at the end of his term. After Senator CORKER's announcement a few weeks ago, this was another blow to this body. Senators FLAKE and CORKER are both men of principle, decency, and conscience.

In his address here on the floor shortly after his announcement, Senator FLAKE alluded to the great figures of history who toiled at these desks to remind us that our time here is only

temporary. He is certainly right. It should comfort him, however, that history will judge Senator FLAKE and Senator CORKER as two men of the greatest conscience to have graced this Chamber on either side of the aisle in a long time. This Senate will be much poorer for their departures.

THE BUDGET AND REPUBLICAN TAX PLAN

Mr. President, last week the Senate passed one of the worst budgets in our Nation's history. It excuses one of the most massive expansions of the national debt ever—\$1.5 trillion. It directs the committees to take a sledgehammer to Medicaid and Medicare, again to the tune of \$1.5 trillion, and it sets up the same awful, partisan process that Republicans used to try to jam healthcare through for tax cuts.

The budget is now before the House. I hope every House Member is taking a close look at it, and Republican Members who come from States such as New York, New Jersey, Washington, California, Pennsylvania, Virginia, Illinois, and Minnesota should pay particular attention to the issue of State and local deductibility. There is no doubt the elimination of State and local affects States and congressional districts over the entire country.

For instance, one of the States that pays the highest rates and gets the highest tax break from State and local is Utah. Thirty-five percent of Utahns take it because it is such a large percentage tithe, and they don't use the standard deduction. It affects middle-class families in every State. In the State it has the lowest effect on, West Virginia, it will still affect 17 percent of families. I don't have the numbers in front of me, but my guess is that Kentucky, the home State of our Acting President pro tempore, is probably in the twenties. But in many States, the State and local deduction is claimed by over one-third of taxpayers and amounts to tens of thousands of dollars a year in deductions.

In California, 34 percent of taxpayers take the deduction for an average of \$18,400. In New Jersey, 41 percent of taxpayers claim State and local with an average deduction of \$17,850. Faced with this, some of our colleagues are looking for a compromise. They say: Well, let's just take away the deduction for the people who earn above \$200,000, \$300,000, or even \$400,000. Or they say: You can choose between taking the State and local deduction or the mortgage deduction. That is like saying: Taxpayer, we will chop off your left hand or your right hand, but we will give you the choice.

Even without the mortgage trade, a compromise doesn't work. It doesn't work for a few reasons. No. 1, it is double taxation. You are being taxed on paying tax. No. 2, for States like New York, particularly my upstate colleagues, it chases away businesses. Companies don't want to locate in a place where their top executives are going to pay a lot more, because they can't deduct their taxes. No. 3, it low-

ers State income so that whether or not you use the State and local deduction, your school board, your road building, your police, and your fire departments will be hurt as they will be creating a huge deficit.

So a compromise doesn't work here. I have named some of my Republican colleagues in New York. One of them got very mad yesterday. All I say is this: In 1986 there was a Democratic tax reform bill led by Senator Bradley and Congressman Gephardt. I had the same conviction and with the same strength and velocity opposed their taking away State and local, even though they were of my own party. We worked hard and we succeeded. Tax reform passed in 1986 with Ronald Reagan's blessing. I supported it. It was real tax reform. We closed loopholes and lowered rates. We did not just give massive tax breaks and let the deficit go up. But State and local was removed, and the bill still passed.

So I would simply ask my Republican colleagues to oppose their party leadership when it hurts their States and constituencies, as I did back in 1986 when I was a fourth-term Member of Congress.

Now a few Members of the New York and New Jersey delegation—a whole bunch in New York—have come out against the elimination of State and local deductibility. I salute them. They have done what they should do. In the eyes of the Founding Fathers, they have represented their States and their constituents. They have not represented these hard-right, corporate, wealthy interests that just want their taxes reduced. Are the remaining Members of the Republican delegation from New York and New Jersey, as well as Members from Washington State, California, Pennsylvania, Virginia, Minnesota, Illinois, and all the other States going to stand up now because they know this hurts middle-class constituents? This is not a tax break for the rich. The rich have lots of other big tax breaks, and the property taxes that they pay are not that much in terms of their income. I hope they will stand up as some of my courageous colleagues have in New York State and in New Jersey.

Here is another reason we don't want to eliminate the State and local deduction. A recent study by PricewaterhouseCoopers found that under the Republican tax plan, any homeowner with an income of between \$50,000 and \$200,000 would see an annual average increase of \$815.

Here is the amazing part of their study. They say that home prices would fall 10.2 percent in the short term. That makes sense. If you are a new homeowner or buying another home, you calculate: How much is my mortgage? How much are my property taxes? What deductions will I get? If you don't get the deduction, you have less money to pay the mortgage because you are paying higher taxes. So the demand for homes goes down, the