English is the Acting Director of the CFPB. The White House should abandon any efforts to circumvent that succession process.

I yield the floor.

The PRESIDING OFFICER. The Senator from Texas.

CONSUMER FINANCIAL PROTECTION BUREAU AND TAX REFORM

Mr. CORNYN. Madam President, the Senator from New York is my friend, and we have worked together on a number of occasions, but I must disagree with a number of things he said today.

First of all, the Consumer Financial Protection Bureau was a partisan creation by Democrats during the Obama administration that had virtually no Republican support. What they did is that they created a modern-day emperor, somebody immune from congressional oversight and the appropriations process. Now that Mr. Cordray is leaving, following the election of a Republican President, they are taking exception to the fact that this President has the authority under the law to appoint his successor. Instead, they are insisting that somebody chosen by Mr. Cordray—this modern-day financial emperor—should be able to make a choice and foist that on this administration when, clearly, this administration was elected to office in part in response to the overreach of the previous Obama administration.

This is a perfect example of how nimble my colleague can be with the facts. The fact is that he comes here and complains about the fact that this tax bill we will be taking up is not partisan enough for him, when Senate Democrats have made it clear that they don't want to do anything that would give any credit to this administration or the Republican majority.

Rather than taking the opportunity to find common ground and govern, they, essentially, have taken up the resistance, leaving the results of the election last November basically unresolved, in their minds, at least, even though the American people have clearly moved on and expect this administration, which was elected to office, along with a Republican majority in the House and the Senate, to actually govern.

I remember days and times when, after we had elections, we actually figured out that we needed to govern and weren't focused then on the next campaign. Apparently, our colleagues across the aisle have simply forgotten that. That is the bad news. The good news is that it is not too late for them to change their ways and join us and bring historic tax reform to the American people.

This week, we will be considering the Senate's version—voted out of the Senate Finance Committee last Thursday night—of our Tax Cuts and Jobs Act, which is the first major overall of our Nation's Tax Code in more than 30 years. It cuts tax rates across the board, reducing the burden on American job creators and middle-class families alike.

Under our proposal, it has been estimated that folks back in my home State of Texas will see more than 76,000 new jobs created. After-tax income for middle-class families should rise by nearly $2,600. Now, that may be chump change here inside the beltway; our friends across the aisle may turn their nose up and say: Who would want to do this for $2,600 additional tax savings. But I can tell you, my 28 million constituents in Texas don't believe that $2,600 in tax savings for a family of four is chump change. They think of that as ways to increase their take-home pay, improve their standard of living, prepare for retirement, and help their children go to college. That is what that means to them.

This bill will also reduce the tax burden on small businesses and put American companies on a level playing field with their foreign competitors, ultimately growing our economy here at home.

Ironically, we heard some of the same old tired rhetoric in the Finance Committee, where we were talking about corporate giveaways and things like that, only to remind our colleagues on the Senate Finance Committee that they themselves had proposed similar tax cuts for American businesses so they could get more competitive in an international global economy. We had to remind them, after they derided this idea that we would want to be more competitive in the global economy, that it was Barack Obama, in 2011, who called for Democrats and Republicans to come together to cut the corporate tax rate because it was the highest one in the world and it was causing businesses to invest abroad—indeed, to leave the United States to set up their headquarters abroad just to avoid the highest tax rate in the civilized world.

There has been a lot of disinformation and misinformation out there, which I would like to take the opportunity to correct on a couple of accounts.

One major reform we have included in the latest version of our tax reform bill is the repeal of ObamaCare's individual mandate. Make no mistake, the individual mandate penalty is literally a tax on low-income Americans. It is a tax because Chief Justice Roberts and the U.S. Supreme Court called it a tax.

Democrats have made two arguments: first, that repealing this mandate is a tax increase. Only in the parallel universe known as Washington, DC, would cutting the tax be called a tax increase. Second, they said the repeal kicks people off their insurance coverage, which is demonstrably not true.

But let's start with the first argument, that the repeal somehow represents a tax increase on the poor. It is a pretty strange thing to say that eliminating a financial obligation simultaneously entails an additional fiscal burden; in other words, that a tax cut is really a tax increase. Only here in the parallel universe of Washington, DC, could that possibly be true. It defies all logic.

What actually happens under our plan is that certain low-income individuals do get a tax cut. If they voluntarily decide not to buy ObamaCare coverage, they will receive an additional tax cut because they will no longer be penalized by their own government for failing to buy an insurance policy they can't afford. It is worth noting that, in 2015, 80 percent of people paying the ObamaCare individual mandate tax made less than $50,000 each year. Eighty percent made less than $50,000.

There were 6.7 million people in 2015 alone that paid this additional tax mandate because they couldn't afford to purchase the government-mandated coverage. If the mandate is repealed, these folks would have more money to spend, and they will benefit from income tax rate reductions in addition. If our colleagues across the aisle would work with us, these same people would find more affordable coverage that suited their needs rather than have to buy a one-size-fits-all policy that prices them out of the market. But that is another story.

The second ridiculous argument is one you may recall the minority leader saying shortly before Thanksgiving. He made the statement that we are kicking 13 million people off of their health insurance. But that is just not true, and it doesn't tell the whole story.

First of all, no one is being kicked off of their health insurance coverage. Instead, people will no longer be fined by their own government for not buying government-approved health insurance. That is based on the correct view that people shouldn't be coerced by their very own government to buy something they may not want and can't afford. Like I said, in a more rational world, Democrats and Republicans would work together to come up with an alternative that would provide people with more choices at a better price.

Democrats might say: Well, what about premiums? Will they not rise if the mandate is eliminated and people drop out of the market because of this problem? This is one of the problems created by the Affordable Care Act at its very beginning. But the issue of rising premiums is significant. A recent proposal offered by the senior Senator from Maine, Ms. COLLINS, along with Senators ALEXANDER and MURRAY, would attempt to stabilize the health insurance marketplace. It would reduce the risk for insurance companies by providing funds to insurers for high-risk enrollees. Their bipartisan stabilization proposal would appropriate money for something called cost-sharing reduction subsidies, and these payments could provide short-term certainty to insurers and prevent premiums from rising. In fact, premiums would go down. It has been scored by the Congressional Budget Office as reducing the deficit by $3.8 billion over the next 10 years. That is why this proposal deserves our serious consideration, and I hope we will turn to it following our debate and vote on the Senate's tax reform bill.

Apart from the repeal of the mandate, there are other parts of the plan I would like to highlight. One involves another popular myth that certain provisions of our proposal are just disguised corporate welfare. I alluded a minute ago to the hypocrisy of some of our Democratic colleagues, claiming that this is corporate welfare or a giveaway, when they themselves supported a similar provision in previous proposals. This claim is completely and deliberately misleading. As the Wall Street Journal pointed out last week, the irony is that this bill would do more to stop corporate tax gaming than anything done by the Obama administration during the previous 8 years.

First, if we cut corporate taxes, the incentive for companies to game the system and move capital, income, and intellectual property abroad is reduced. The bill institutes a territorial system that also includes so-called base erosion rules. These are safeguards against abuse that prevent companies from shifting domestic income through foreign affiliates to lower tax jurisdictions and then bringing the profits home without paying taxes.

Our Senate bill would impose an effective 10 percent rate on intangible property of U.S. multinationals held overseas. That is on a one-time basis. In return, companies would be able to repatriate their future income from those places tax-free. In other words, they would be taxed once rather than twice. This lower rate will help to prevent the erosion of our corporate tax base and so will other provisions regarding patents and intellectual property, which will prevent the flight of intellectual property abroad and will entice foreign companies to move their patents to the United States, along with the associated economic activity and jobs. In sum, as I said earlier, this bill changes incentives, making it less likely that businesses will try to game the system and move capital to foreign, lower tax jurisdictions.

We need to look at this proposal as a whole—not just one provision in isolation—because you can't judge the merit of the plan without considering it as a whole.

Two days ago, we got a letter from nine world-class experts on tax policy and economics. They sent a letter to Treasury Secretary Steve Mnuchin. In that letter, they praised the plan's objectives to enhance the prospects of both increased economic growth and household incomes—more take-home pay. Not only that, but they said that, based on their analysis, our plan is likely to achieve those objectives, too. The signatories include a former Treasury Secretary, as well as a former Director of the Congressional Budget Office and distinguished economists from Harvard, Columbia, and Stanford. I think that all agree with the bottom line, which is that the Senate bill cuts taxes for every income group and that it will increase economic growth and keep jobs and American companies here at home, all while making America more competitive.

Those who argue otherwise, I think, are resigned to the status quo, which is a stagnant economy characterized by slow growth and wages that will never rise. That is what we have had for the last 11 years. Under no circumstances should we stand by idly and permit it to continue.

Historically, the United States has seen growth of the economy hover around 3 percent since World War II, but right now it is roughly 1.9 percent. What that slow economic growth means is fewer jobs, lower wages, and less competitiveness for the United States in the global economy. If we get back to 3 percent growth or higher, we can begin to solve multiple problems at once. For example, we can do something about our lackluster defense spending.

It is something the chairman of the Senate Armed Services Committee, Senator MCCAIN, and others—including people like me and the Presiding Officer—care an awful lot about. We have simply tried again and again to cash the peace dividend when there is no peace, when, in the words of Gen. James Clapper, former Director of National Intelligence, he said: The array of threats is more profound than he has seen in 50 years in the intelligence service of the United States. We can't spend the amount of money we need to keep America safe to fight our Nation's wars and to defend our shores at home unless we meet that need. We can't do it when our economy doesn't grow. Not only will economic opportunities increase for Americans of all stripes, we will also have additional revenue to address our national debt.

If we can get our economy growing again, we can actually pay down that debt, but this debt is not a product of tax cuts and defense spending, as some would lead you to believe. It is a symptom of our inability to pass entitlement reform. In other words, we have a spending problem; we don't have an inadequate taxing problem.

Indeed, during the 8 years of the Obama administration, when the national debt doubled, I didn't hear one peep out of our colleagues across the aisle on the national debt. It is refreshing to hear that they are concerned about that, once again, but we have a partial answer to that, which is getting the economy growing again so the Treasury will increase its returns, and we can begin to pay down some of those deficits and debt.

To regain our standing in the world, we need to get our financial house in order. The first step is to pass this tax reform package, which will show our seriousness and determination in jump-starting our economy as a way to address our fiscal challenges.

I hope our colleagues on both sides of the aisle will join me in supporting the Senate's version of this bill because America's future prosperity partially depends on our ability to get this done. What kind of country do we want? Do we want one that is vibrant and dynamic and full of energy or do we want one that simply putters along? A lot is on the line this week as we debate and vote on the Senate's tax reform bill.

Madam President, I ask unanimous consent to have printed in the RECORD the letter I referred to from nine prominent economists, which was published on November 26 in the Wall Street Journal, called: ''How Tax Reform Will Lift the Economy.''

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

HOW TAX REFORM WILL LIFT THE ECONOMY

[Editor's note: The following is a Nov. 25 letter to Treasury Secretary Steven Mnuchin]

Dear Mr. Secretary:

The present debate over tax reforms proposed by President Trump's administration and embodied in bills that have passed the House of Representatives and the Senate Finance Committee has raised the basic question of whether the bills are ''pro-growth'': Would the proposals raise current and future economic activity and generate federal tax revenue that would reduce the ''static cost'' of the reforms? This letter explains why we believe that the answer to these questions is ''yes.''

Economists generally think of fundamental tax reform as a set of tax changes that reduces tax distortions on productive activities (for example, business investment and work) and broadens the tax base to reduce tax differences among similarly situated businesses and individuals. Fundamental tax reform should also advance the objectives of fairness and simplification.

The quest for such fundamental tax reform has been pursued by policy makers and economists for decades. Examples include the Tax Reform Act of 1986, proposals for reducing the double taxation of corporate equity by the Treasury Department and the American Law Institute (enacted in part in 2003), the ''Growth and Investment Plan'' from President George W. Bush's Advisory Panel on Federal Tax Reform, and arguments from President Obama's administration to lower corporate tax rates. The proposals emerging from the House, Senate, and President Trump's administration, fall squarely within this tradition.

REDUCING CORPORATE TAX RATES, AS PROPOSED, WILL INCREASE ECONOMIC ACTIVITY

While the overall House and Senate tax plans contain numerous household and business provisions, we focus on the corporate tax changes, returning to other provisions before concluding. A key concept in this context is the ''user cost of capital,'' which essentially measures the expected cost to firms of making additional investments in equipment. A considerable body of economic research concludes that reductions in the user cost of capital raise output in the short and long run. Several of the proposals that have emerged in the current debate are key to lowering the user cost of capital. For example, expensing, which allows firms to deduct the full cost of investment at the time it is made, lowers the user cost of capital relative to depreciation over time. A lower corporate tax rate also lowers the user cost of capital, which not only induces U.S. firms to invest more, but also makes it more attractive for both U.S. and foreign multinational corporations to locate investment in the United States.

There is some uncertainty about just how much additional investment is induced by reductions in the cost of capital, but based on an extensive body of scholarly research, many economists believe that a 10% reduction in the cost of capital would lead to a 10% increase in the amount of investment. Simultaneously reducing the corporate tax rate to 20% and moving to immediate expensing of equipment and intangible investment would reduce the user cost by an average of 15%, which would increase the demand for capital by 15%. A conventional approach to economic modeling suggests that such an increase in the capital stock would raise the level of GDP in the long run by just over 4%. If achieved over a decade, the associated increase in the annual rate of GDP growth would be about 0.4% per year. Because the House and Senate bills contemplate expensing only for five years, the increase in capital accumulation would be less, and the gain in the long-run level of GDP would be just over 3%, or 0.3% per year for a decade.

Is this estimate of the growth effect realistic? According to one leading model using an alternative framework, the proposal would increase the U.S. capital stock by between 12% and 19%, which would raise the level of GDP in the long run by between 3% and 5%. Yet another model, this one used in the analysis of the ''Growth and Investment Plan'' in the 2005 President's Advisory Panel on Federal Tax Reform, found that a business cash-flow tax with expensing and a corporate tax rate of 30% would yield a 20.4% increase in the capital stock in the long run and a 4.8% increase in GDP in the long run. More conservative estimates from the OECD suggest that corporate tax changes alone would raise long-run GDP by 2%. In short, there is a substantial body of research suggesting that fundamental tax reform of the type being proposed would have an important effect on long-run GDP. We view long-run effects of about 3% assuming five years of full expensing, and 4% assuming permanent full expensing, as reasonable estimates.

Another advantage of the corporate rate reduction embodied in the House and Senate Finance bills is that it would lead both U.S. and foreign firms to invest more in the United States. In addition, U.S. multinational firms would face a reduced incentive to shift profits abroad, which would raise federal revenue, all else equal.

In the foregoing analysis, we assumed a revenue-neutral corporate tax change. Deficit financing of part of a reduction in taxes increases federal debt and interest rates, all else equal. For the House and Senate Finance bills, this offset is likely to be modest, given that the United States operates in an international capital market, which means that the impact of changes in interest rates resulting from greater investment demand and government borrowing are likely to be relatively small.

LOWERING INDIVIDUAL TAX RATES ALSO OFFERS GENERALLY POSITIVE ECONOMIC EFFECTS

The House and Senate bills also contemplate a number of individual tax provisions that can affect economic activity and incomes. In recognition of the fact that non-corporate business income is substantial in the United States, both bills would reduce taxation of non-corporate business income and increase the amount of capital expensing allowed. While difficult to quantify, as the bills specify different effective tax rates, these provisions would increase investment and GDP above the level associated with the corporate tax changes discussed above. Also on the individual side, both the House and Senate bills reduce marginal tax rates on labor income for most taxpayers, increasing the reward for work. Increases in labor supply, in turn, increase taxable income and tax revenues. One should note, however, that some taxpayers would face increases in effective marginal tax rates because of base-broadening features of the bills, such as limits on the federal tax deductibility of state and local income taxes. On balance, though, we believe that the individual tax base broadening embodied in the proposals would enhance economic efficiency by confronting most households with lower marginal tax rates. In addition, fairness would be served by reducing differences in the tax treatment of individuals with similar incomes, and simplification by reducing the number of individuals who itemize for federal tax purposes.

CONFIRMING A PRO-GROWTH OBJECTIVE IS IMPORTANT FOR THE PATH FORWARD

You have consistently stressed that the objective of tax reform should be to enhance prospects for increased economic growth and household incomes. We agree with this objective, which is consistent with the traditional norms of public finance going back to Adam Smith. We believe that the reforms embodied in the House and Senate Finance bills would achieve this objective. The increased growth, in turn, would lead to greater taxable income and federal tax revenues, which would reduce the static cost of lost federal tax revenue from the reform.

We hope these analytical points of support for the growth effects of tax plans being discussed are useful to you and to the Congress as you complete the important economic task of fundamental tax reform. We would be happy to discuss our conclusions with you at your convenience.

Robert J. Barro, Paul M. Warburg Professor of Economics, Harvard University

Michael J. Boskin, Tully M. Friedman Professor of Economics, Stanford University; Chairman of the Council of Economic Advisers under President George H.W. Bush

John Cogan, Leonard and Shirley Ely Senior Fellow, Hoover Institution, Stanford University; Deputy Director of the Office of Management and Budget under President Ronald Reagan

Douglas Holtz-Eakin, President, American Action Forum, former director of the Congressional Budget Office

Glenn Hubbard, Dean and Russell L. Carson Professor of Finance and Economics (Graduate School of Business) and Professor of Economics (Arts and Sciences), Columbia University; Chairman of the Council of Economic Advisers under President George W. Bush

Lawrence B. Lindsey, President and Chief Executive Officer, The Lindsey Group; Director of the National Economic Council under President George W. Bush

Harvey S. Rosen, John L. Weinberg Professor of Economics and Business Policy, Princeton University; Chairman of the Council of Economic Advisers under President George W. Bush

George P. Shultz, Thomas W. and Susan B. Ford Distinguished Fellow, Hoover Institution, Stanford University; Secretary of State under President Ronald Reagan, Secretary of the Treasury under President Richard Nixon

John. B. Taylor, Mary and Robert Raymond Professor of Economics, Stanford University; Undersecretary of the Treasury for International Affairs under President George W. Bush

Mr. CORNYN. I yield the floor.

The PRESIDING OFFICER. The Senator from Massachusetts.

NET NEUTRALITY

Mr. MARKEY. Madam President, last year, Chairman Pai, of the Federal Communications Commission, threatened to take a weed whacker to the FCC's net neutrality rules. On December 14, Chairman Pai and the FCC are likely to make good on that promise. Last week, they issued their plan. They are quite proud of it. Chairman Pai is very proud of their plan. They got that done last week. Then, on December 14, they are going to execute their plan to execute the net neutrality rules of our country.

Net neutrality applies the principles of nondiscrimination to the internet world, ensuring that broadband providers—America's internet gatekeepers—do not block, slow down, or prioritize internet traffic. In 2015, the FCC correctly adopted the open internet order, enshrining these net neutrality principles into law, but now net neutrality and the free and open internet—this diverse, dynamic, democratic platform—are under attack.

Here is what Chairman Pai is proposing. No. 1, he would gut the rule against blocking. What does that mean? It means an internet service provider could block any website it wants. It could block something just because it decided to. That includes a website of a competing service or a website with a contrary political view. Whatever they want, they can block. The biggest companies—Comcast, AT&T—they can just block it.

No. 2, Chairman Pai would gut the rule against throttling. What does that mean? That means the internet service provider could slow down any website it wants.

No. 3, Chairman Pai would gut the rule banning paid prioritization. What does that mean in easy-to-understand language? That means the internet service provider could charge websites for an internet fast lane—meaning those websites would load quicker, while websites that can't afford the internet ''EZ pass'' would be stuck on a gravel path, taking more time to load and frustrating consumers with long buffering times.

No. 4, Chairman Pai would gut the forward-looking general conduct rule. What does that mean in easy-to-understand language? That means whatever discriminatory conduct ISPs think of next in the coming months or years would be perfectly legal.

No. 5, Chairman Pai would create an unregulated interconnection market. What does that mean, an unregulated interconnected market? In plain English, it means the Federal Communications Commission would lose authority to oversee places where the internet service providers connect to the internet and extract fees.

No. 6, Chairman Pai would prevent States and localities from adopting their own net neutrality protections. If you live in Massachusetts or you live in California or you live in Alabama,