NOT VOTING—7

Bennet	Sanders	Warren
Graham	Tillis	
Klobuchar	Udall	

The PRESIDING OFFICER. On this vote, the yeas are 75, the nays are 18.

The motion is agreed to.

EXECUTIVE CALENDAR

The PRESIDING OFFICER. The clerk will report the nomination.

The senior assistant legislative clerk read the nomination of Philip M. Halpern, of New York, to be United States District Judge for the Southern District of New York.

The PRESIDING OFFICER. The Senator from Wyoming.

THE 2020 ELECTION

Mr. BARRASSO. Madam President, I come to the floor as the Democrats seem to be in complete disarray with the voting right now that is underway in New Hampshire. For all of their anger and for all of their outrage, they have failed to tap into all of the great things that I and the people of Wyoming see happening all across America. The Democratic primary voters in New Hampshire seem to be on the verge of nominating a Socialist for President of the United States. Any way you look at it, we have a strong, healthy, and growing economy, and a Socialist is now the frontrunner for the Democratic nomination for President.

Socialist policies would bankrupt our country. What is the Democrats' top priority? It seems to be a complete government takeover of healthcare in America. That means, for the 180 million Americans who get their health insurance through their jobs, each and every one of them would lose it. Also, to pay for it, taxes would go up. They would go up significantly. This would be a crushing blow to the economy.

The Democratic Party's sharp left turn has President Clinton's long-term strategist James Carville "scared to death."

On Friday, James Carville said: "We have candidates . . . talking about open borders."

He said: "They're talking about doing away with nuclear energy and fracking."

Then he added: "You've got BERNIE SANDERS talking about letting criminals and terrorists vote from jail cells."

During Friday's debate in New Hampshire—the one that was nationally broadcast—there was hardly a positive word from the Democrats about our country. Our booming economy continues to create jobs at a record pace—millions of jobs. In the last month alone, there were 225,000 new jobs. We have a 50-year low in unemployment in our country right now. It is a historical number. We have created opportunity for all Americans. Everyone is better off. Middle-class wages and blue-collar wages are way up. We have a middle-class and a blue-collar boom in this country. Americans realize it, and they have high hopes for the future.

Still, the 2020 Democrats seem to have nothing positive to say about our economy and our country—no positive ideas, no positive vision, no positive agenda for the American people. Clearly, when I listen to them, it is all about grandstanding, not about governing.

The Republicans, however, have a results-driven agenda. The economic renaissance that we are seeing is a direct result of Republican pro-growth policies. Tax and regulatory relief is what has mattered to this economy. Energy independence is what has mattered to this economy. Pro-worker and pro-farmer trade deals are what have made a difference for this economy. We remain focused on priority issues, like lowering the cost of healthcare, lowering the cost of prescription drugs, securing our border, and building and rebuilding our aging roads and bridges.

As the President said just last Tuesday night during the State of the Union Address, "The best is yet to come."

I yield the floor.

The PRESIDING OFFICER. The Senator from Iowa.

TAX REFORM

Mr. GRASSLEY. Madam President, since tax reform was enacted in December of 2017, our economy has grown and strengthened with American families' and businesses' seeing real benefits, and you just heard Senator BARRASSO say some of the same things about how the economy is booming.

Unemployment rates have dropped dramatically, with unemployment among Hispanic, Latino, and African-American workers at record lows. According to the Bureau of Labor Statistics, average hourly earnings have grown at a rate of 3 percent or higher for 16 consecutive months, with the largest wage gains being concentrated in the bottom quarter of the wage scale. We should duly note that production workers' wages are growing much faster than are the wages for the manager class. In short, lower income workers are seeing the highest wage growth.

Yet, instead of looking at the positive economic effects of tax reform, our Democratic colleagues insist that large corporations have received a massive giveaway and that only the wealthy have benefited. That is simply not true. Tax reform has addressed a number of issues that have been frequently highlighted by both political parties. In particular, tax reform has made enormous progress toward creating a more competitive environment for American companies. Before tax reform, the combined U.S. Federal and State corporate tax rate was the highest in the developed world—15 percentage points higher than the average of the other 35 advanced economies that are members of the Organisation for Economic Co-operation and Development, which we commonly refer to around here as OECD.

Over the last few years and before the tax bill, you heard of companies going overseas. We had inversions, foreign acquisitions of U.S. companies, and the erosion of the U.S. tax base. These were all very significant problems that we addressed in the Tax Cuts and Jobs Act of 2017. With our worldwide tax system, companies were actually incentivized to store corporate profits in low-tax jurisdictions overseas rather than to reinvest them back here in the United States.

How can that help the U.S. economy?

We had perverse incentives to keep wealth out of this country. Ironically, even the Democrats highlighted these same issues in the lead-up to tax reform—a bipartisan recognition that we shouldn't have a tax system that encourages the storing of money overseas but rather one that brings that money and capital back to the United States to create jobs here. They are only partisan issues now, as it turns out, because tax reform was a Republican effort, but both sides of the aisle knew that these issues had to be addressed in order for U.S. companies to remain competitive and for the U.S. economy to continue leading the world.

Critics of tax reform complain that the 21-percent rate is too low, but with the average corporate tax rate of 21.7 percent among the OECD countries today, the United States is finally in line with its peers. In other words, we can be competitive.

As a result, U.S. companies are competitive, and investments in the United States are more attractive not only to foreign companies but to U.S. companies that used to store money overseas. After tax reform legislation passed in 2017, business investment rose by 6.4 percent in 2018.

While a weaker global economy, tariffs, and other factors subdued growth last year in 2019, business investment in 2018 and 2019 combined was still $5.7 trillion, hitting record highs.

Capital expenditures of S&P 500 companies have risen by 17 percent since tax reform, and research and development expenditures of S&P 500 companies rose by 18 percent. All of this is showing that our law accomplished what we wanted it to accomplish. It is hardly, then, the anemic response to tax reform that the Democrat critics would have us believe.

Tax reform has changed our international tax rules to remove barriers that previously prevented companies from bringing foreign earnings home. In the seven quarters since enactment of tax reform, U.S. companies have brought back to the United States more than $1 trillion of foreign earnings.

Obviously, U.S. companies are using these earnings to finance new capital expenditures, increase research and development, increase payrolls, pay down debt, and return cash to shareholders and retirement accounts. Companies are putting those earnings to work in this country, not leaving them abroad. That economic gain and the jobs created as a result of it are because of the 2017 tax cut legislation.

But we also took care to ensure that companies wouldn't be able to take advantage of the new U.S. tax system. Tax reform made signature strides to address inversions, foreign takeovers of U.S. companies, and base erosion. You will remember the outrage we had before the tax bill when there were inversions and foreign takeovers of U.S. companies, and then the result of the erosion of our tax base.

Together, the lower tax rate and new international rules have changed the way that companies structure their business operations. For example, Assurant, a global insurance company, changed its acquisition agreement so that its new parent company remains here in the United States.

Broadcom, a technology firm, announced that it would return its headquarters to the United States, and this came after tax reform.

Similarly, several energy and pharmaceutical companies that had previously moved out of the United States also made the decision to return, primarily because of tax reform.

You know, the old, old saying can apply to this tax legislation. What we wanted to accomplish was accomplished, and that old saying is: The proof is in the pudding.

So tax reform has leveled the playing field and made the United States a far more attractive place to do business—hardly the dire consequences that critics would have us believe. Now, you know critics never give up. Not to be deterred, the critics continue to look for misleading information to distort the picture.

Most recently, they pointed to the Congressional Budget Office projections as evidence that tax reform and recently issued U.S. Treasury Department regulations have provided a windfall to corporations. I hate to see the Congressional Budget Office's professional work and nonpartisan work manipulated to say something it clearly does not—and I meant to use the word ''manipulated.''

First and foremost, CBO's—that is the Congressional Budget Office—downward adjustment of expected corporate tax receipts does not imply that CBO scores particular Treasury regulations or that a regulation departs from congressional intent. Rather, CBO's adjustments broadly reflect significant economic factors and changes in government data.

In particular, CBO adjusted its projections because we now know that Bureau of Economic Analysis estimates of corporate receipts between 2016 and 2018 were actually overstated. So you have to make adjustments for that. In short, even pretax reform projections of corporate profits were really too high. So when the estimate of corporate profits is corrected, it translates into lower tax receipts, but the other side doesn't seem to acknowledge this.

CBO also took into account current economic factors, like recent trade actions and tariffs, strengthening of the U.S. dollar, and the softening of foreign economies, all of which affected expected corporate profits and ultimate tax receipts. But our critics don't seem to acknowledge that fact.

In addition, the Congressional Budget Office revised its projections to reflect everything that we are learning about implementation of the new tax rules, including regulatory guidance, new forms and instructions that go with the tax forms, and modeling improvements to better reflect updated economic projections.

CBO is only beginning to take into account how U.S. businesses are responding very positively to the new tax rules and Treasury guidance.

As many regulations are still being finalized, businesses are only starting to have needed certainty to invest in new property and equipment, to engage in mergers and acquisitions, and to enter into new business transactions.

The Congressional Budget Office's projections are also based upon preliminary data. Tax returns for the first year of the new law were filed less than 6 months ago, but the critics don't take that into consideration. The final data will not be available from the IRS until later this year, and, even then, it will still take time to fully analyze, but our critics don't recognize that.

All of these factors go into CBO's revised projections of corporate tax receipts, and none of them support the claim that Treasury provided a windfall to corporations. I think the critics ought to go the extra mile to study and understand the impact of the tax cut law.

There simply is no basis, then, for the critics' claim that the revision to CBO's estimate of corporate receipts means that Treasury has given away the store to big corporations through its regulations.

Despite the critics' relentless attacks, the benefits of tax reform are, in fact, proving out. All you have to do is look at the good economy to know that that is the case.

I am encouraged by the promising economic data that I just referred to that suggests that American workers, American families, and American businesses are seeing positive effects.

Now, we must continue to promote policies that encourage U.S. businesses to keep operations on American soil—the 2017 bill does that—increase wages—the 2017 bill did that—and reinvest foreign earnings in the United States, instead of leaving them overseas—and the 2017 tax bill does that.

I hope that my Democratic colleagues will stop criticizing the policies that have strengthened our economy and, in fact, consider how we can work together to make our tax laws work even better for American businesses and workers.

I yield the floor.

I suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. CASSIDY). The clerk will call the roll.

The senior assistant legislative 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, I am here again, as the Senate returns to regular business, to call us again to respond to the threat of climate change. Here on the floor today, things seem back to normal. The floor is empty. We have a Senator instead of a Chief Justice in the chair. The quorum calls descend between the speeches. Our new pages are figuring out the nonimpeachment routines of the floor.

Outside of the Senate, things are anything but normal. The threat of climate change worsens by the minute. Carbon emissions continue to rise globally. We hurtle toward calamity. Yet we do not act. What is stopping us? The biggest, most powerful, most motivated force preventing climate action is the fossil fuel industry, and, of course, it would be. The fossil fuel industry reaps the biggest subsidy in the history of the planet. The International Monetary Fund estimates the global subsidy for fossil fuel in the trillions of dollars every year. In the United States alone, the fossil fuel industry got a $650 billion subsidy in 2015, according to the most recent report from the IMF. That is about $2,000 from every woman, man, and child in the country.

You wrote the check, and they will spend big bucks to defend that subsidy. In fact, to maintain their grip on that subsidy, fossil fuel companies deploy lots of propaganda on the American people. They swamp us in advertising. The game isn't just to sell you more gas. It is much bigger than that.

Professor Robert Brulle of Drexel University—now in Rhode Island at Brown University—together with his coauthors, wrote a recent article, ''Corporate Promotion and Climate Change,'' looking at oil companies' carefully crafted public relations campaigns deployed way back since legendary muckraker Ida Tarbell chronicled the greed and cruelty of the Standard Oil Company. To offset their reputation for greed and nastiness, ''fossil fuel companies have attempted to burnish their image in various ways,'' Brulle and his colleagues write, ''[including] contemporary multimedia promotional campaigns . . . to project the corporation as a positive, responsible, and legitimate social actor.'' Hah.

The public began to catch on to the harms of industrial pollution in the 1960s and 1970s, and Big Oil deployed public relations campaigns to stem the public opinion tide.

One example Brulle uses is Mobil Oil, pre-ExxonMobil merger. In 1970, Mobil began buying space on the opinion page of the New York Times. They called these things advertorials—not advertisements, not editorials, but