

Remember, rejoining the Paris climate agreement was a day one priority for this administration—this unenforceable deal whose own signatories largely ignored their commitments for the past 5 years, the deal that proved unable to keep China from significantly increasing its greenhouse gas emissions and proved unnecessary for the United States to decrease our own. We decreased our own.

But despite it all, the administration is rushing back in to signal virtue on the international stage. Here at home, they are rolling out policy after policy that would cost American families quite dearly.

The President signed away thousands of jobs by canceling the Keystone XL Pipeline. The authors of the Green New Deal boast about the radical social engineering they have seeded into the administration's legislative proposals. The infrastructure plan they have rolled out would pick winners and losers in automotive manufacturing and aim to purge the electrical grid of the most reliable and affordable forms of domestic power.

Of course, despite it all, carbon emissions don't respect national boundaries, so all the unilateral sacrifices this administration is eager to impose on blue-collar families won't make a dent in global emissions if our adversaries just keep on roaring right past us.

And now the Biden climate team is hoping to add a proven veteran from the War on Coal. The President campaigned suggesting he wouldn't owe the far left anything, but he is choosing to govern like he owes them everything.

I will oppose the McCabe nomination and would urge my colleagues to do the same.

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#### FOREIGN POLICY

Mr. MCCONNELL. Mr. President, now on one final matter, yesterday I discussed how the Biden administration's wishful thinking has set them up for foreign policy failure in Central Asia and the Middle East. The likely catastrophe in Afghanistan may well consume the administration and distract from the challenges proposed by competition with Russia and China.

The President's meager defense budget proposal suggests his administration isn't taking strategic competition very seriously to begin with. Russia and China have spent years—years—investing heavily in military modernization with a specific eye toward threatening U.S. forces. We spent the previous administration repairing the readiness of our forces and beginning to modernize after years on the back foot.

A bipartisan Commission concluded we would need sustained increases in defense funding to successfully counter the growing Russian and Chinese capabilities. Yet adjusting for inflation, President Biden's proposal would amount to a reduction in spending.

This administration has talked tough with both these rivals, and I have given

credit where credit has been due, but when the time came to speak in the language that Putin and Xi understand best—money and power—this White House flinched.

Just last week, Russia reminded us of the threat it poses to Europe with a massive mobilization of forces on Ukraine's border. NATO allies are already struggling to meet their commitments on collective security.

So you have to ask, Would declining American spending make Putin more likely or less likely to think twice next time? And what about China? Will China be more likely or less likely to respect its neighbors' territorial waters if the United States stops contending for an edge in naval and long-range capabilities and lets ourselves fall behind?

The head of the U.S. Strategic Command reported last week that both Russia and China are modernizing their nuclear arsenals faster than the United States. He warned that if we fail to keep pace, we will be "at risk of losing credibility in the eyes of our adversaries."

Our nuclear triad has preserved the peace for decades, but crucial components are now decades older than the men and women we have operating them. If we want to maintain effective deterrence, we have to modernize.

Whether this administration likes it or not, we are locked in a race with adversaries who plan literally decades ahead. A lack of resolve will compound on itself and invite disaster. Surely that cannot be the legacy President Biden hopes to leave.

I suggest the absence of a quorum.

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

The senior assistant legislative clerk proceeded to call the roll.

Mr. THUNE. 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.

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#### CONCLUSION OF MORNING BUSINESS

The ACTING PRESIDENT pro tempore. Morning business is closed.

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#### EXECUTIVE SESSION

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#### EXECUTIVE CALENDAR

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

The senior assistant legislative clerk read the nomination of Jason Scott Miller, of Maryland, to be Deputy Director for Management, Office of Management and Budget.

The ACTING PRESIDENT pro tempore. The Republican whip.

#### TAX LEGISLATION

Mr. THUNE. Mr. President, a few weeks ago, President Biden introduced an infrastructure plan—or at least that is what the Democrats are calling it. In fact, a substantial portion of this bill goes to Democratic priorities that have nothing to do with infrastructure, from support for Big Labor to a new Civilian Climate Corps to advance "environmental justice." President Biden's infrastructure proposal would cost a lot of money, well north of \$2 trillion.

So how does the President plan to pay for this legislation? Unsurprisingly, the President is proposing tax hikes—notably, a substantial hike in the corporate tax rate.

There are two sources the Democrats like to go to when it comes to paying for their spending—corporations and prosperous Americans. In fact, the Democrats tend to speak about corporations and well-off Americans as if they are a bottomless source of funding for government programs and as if the Democrats can endlessly hike taxes on these individuals and businesses without consequences.

When the Republicans object to the prospect of major tax hikes, the Democrats cry that the Republicans are just protecting wealthy corporate cronies—a deeply ironic charge when you consider that the Democrats want to include a tax cut for wealthy Democratic donors and Hollywood types in this same infrastructure package.

The real reason for the Republicans' concern, of course, is quite different. The Republicans are concerned about substantial tax hikes on any individual or business because we know that taxation has economic consequences. It is something that the Democrats should know as well—it is basic economics, after all—but they don't seem capable of grasping it. Taxation has consequences. Tax hikes have consequences, and big tax hikes have big consequences, usually negative ones.

The corporate tax hike the Democrats are talking about will have negative consequences for American businesses. That means it will have negative consequences for American workers, and that is a problem.

Three years ago, the Republicans passed major tax reform legislation. Along with substantial tax cuts for middle-class Americans, this legislation cut America's corporate tax rate. Why? Well, at the time we passed this legislation, the United States had the highest corporate tax rate in the developed world, plus an outdated international tax system. Both of those things put U.S. businesses at a major disadvantage next to their foreign counterparts, and they discouraged foreign companies from moving to and investing in the United States.

Our outdated tax system had also resulted in a wave of inversions. That is tax professional-speak for companies moving their headquarters overseas. According to Bloomberg, between 2004 and 2016, 36 American-based companies

inverted. Needless to say, those inversions resulted in a loss of American jobs and domestic investment. A piece in the Wall Street Journal reported that one accounting firm estimates that the United States lost \$510 billion from cross-border mergers and acquisitions between 2004 and 2016.

The Republicans knew that if we wanted to boost job creation here at home and improve opportunities for American workers, we needed to address the high corporate tax rate and put American companies on a more competitive footing internationally, so we cut the corporate tax rate and brought the U.S. international tax system into the 21st century by replacing our outdated worldwide system with a modernized territorial tax system.

It didn't take long to see the results: Inversions ended. Economic growth outstripped predictions. The poverty rate dropped. Jobs increased. Incomes grew. In fact, income growth in 2019 was the highest ever recorded, and the real median household income for African-American, Hispanic, and Asian-American workers hit record highs. In other words, tax reform worked, and, importantly, it worked for the very people the Republicans wanted to help—ordinary Americans. By improving the tax situation for American businesses, we improved the job and income situation for American workers, but now the Democrats want to undo all of that.

To pay for their preferred government programs, they want to substantially hike the tax rate on American corporations—once again, putting American businesses at a substantial disadvantage next to their foreign competitors. If the Democrats impose President Biden's suggested tax hike, the combined average top tax rate on corporations in the United States will be higher than that imposed by every one of our major trading partners and competitors, including China.

It is difficult to understand why the Democrats think it is a good idea to put American companies at a disadvantage next to Chinese companies and next to British companies, Japanese companies, French companies, German companies, and the list goes on and on. It is especially difficult to understand why the Democrats would do this now, at the very time our economy is trying to recover from the serious hit we took from the coronavirus.

Unfortunately, it has become clear that the Democrats are either incapable of grasping or don't care about the economic consequences of their proposed tax hikes. The Democrats are fixated on imposing a whole host of new government programs, and they are ready to tax Americans and American businesses to pay for them even if ordinary Americans suffer as a result. Presumably, they think that if ordinary Americans start suffering, they can just offer them some help through a new government program, but I am pretty confident that most Americans

would exchange government assistance for the kinds of jobs and incomes that free them from having to depend on government programs.

Substantially increasing the corporate tax rate—and I am talking substantially; what is being talked about is a 33-percent increase, so it will be a one-third increase in the tax rate—and putting American businesses at a disadvantage on the global stage is not the best way to encourage the creation of those kinds of jobs. Hiking the corporate tax rate will have negative consequences for our economy and for hard-working Americans.

It is easy to say "Tax the corporations; tax the rich people," but those businesses hire American workers. If they have to pay more in taxes, they have to pay less in wages. What we saw, as I mentioned before, was the highest wage increases that we have seen in decades, particularly for lower income Americans.

But apparently what is being talked about with this tax hike is just the beginning. President Biden and his Democratic colleagues have a lot more government programs they want to push, and they have a whole raft of tax hikes waiting in the wings to fund them. There is a hike in the top individual income tax rate that would hit small businesses hard. Most businesses—99 percent of the businesses in my State of South Dakota—are organized as passthroughs. That means they pay taxes at the individual rate. Those are farmers and ranchers and small business people across my State. They are the people who create the jobs in South Dakota. A hike in the top individual income tax rate hits every one of those small businesses that has an income in excess of \$400,000. That is money that could be used to hire more workers. There is a hike in the capital gains tax, which would discourage investment and decrease the value Americans can expect from their 401(k)s, a new death tax that would hit middle-class families and family farms and businesses, and so much more.

These tax hikes may help the Democrats usher in parts of the socialist fantasy they have been envisioning, but they will do nothing to help American families gain financial stability and secure good jobs and lasting, rewarding careers. Working Americans are the ones who will ultimately suffer the most from the Democrats' tax hike plans.

I yield the floor.

I suggest the absence of a quorum.

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

The senior assistant legislative clerk proceeded to call the roll.

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

The PRESIDING OFFICER (Mr. PADILLA). Without objection, it is so ordered.

#### INFRASTRUCTURE

Mrs. FISCHER. Mr. President, I like to think that infrastructure is in my

DNA. My father was Jerry Strobel, a civil engineer who spent his entire career with the Nebraska Department of Transportation. Now, that was back when it was still called the Department of Roads. He eventually became director/State engineer and served under two different Governors, Kay Orr and Ben Nelson, one Republican and one Democrat.

My dad used to take my two brothers and me on weekend road trips across Nebraska to check up on our infrastructure—trips that he would call "inspection tours." Many of the photos that I have from my childhood are of my brothers and me standing on partially finished bridges, in front of bulldozers, and next to highways that were under various stages of completion. He taught me how to drop a plumb line and showed me how to handle his surveying equipment.

Those trips with my dad taught me that infrastructure takes a long time to plan, it takes a long time to permit, and it takes a long time to build. Even short stretches of a single highway can sometimes—well, it can take years to finish. To get the most out of our limited taxpayer resources, we must condense that process to save both time and money.

I learned that reliable infrastructure doesn't happen by accident, and when I was elected to the Nebraska Legislature, I brought that appreciation with me. As chair of the Transportation and Telecommunications Committee, I introduced bills like the Nebraska Build Act. The new revenue from that bill has funded over a dozen important infrastructure projects across Nebraska.

Nebraskans and all Americans know what actual infrastructure is. It is roads and bridges, but it is also ports and airports and railroads and pipelines and waterways and broadband. Those things are a core responsibility of government. The American people also know what infrastructure is not. If Congress passes a bill to reform Medicare, that is not infrastructure; that is healthcare.

We all know that words don't change their meaning overnight to suit one party or the other's political goals, but President Biden seems to think they do. He is asking us to support an infrastructure proposal that could eventually top \$2.7 trillion, which redefines that word to mean policies such as climate research and federally funded home or community care services—things that have nothing to do with what we have traditionally called infrastructure.

Less than 6 percent of the \$2.25 trillion that is identified in the Biden proposal would go to roads and bridges. Barely 4 percent would go to broadband, and less than 2 percent is for airports. At the same time, hundreds of billions of dollars would be funneled to things like housing, Medicare, and electric vehicles.

The President wants to enact trillions of dollars in new taxes to pay for