site, which is speaker.gov/30something with the number 30, and learn all about our new member from Ohio and any other member of the 30-somethings they want.

Mr. MURPHY of Connecticut. We are hopeful that, eventually that Mr. RYAN and Mr. MEEK and Ms. WASSERMAN SCHULTZ, the veterans, will join us down here so that not only can the American people learn something about them on the Web site, but they can see them down here returned to their roots on the House floor as part of the 30-Something Working Group.

I thank the Speaker for giving us this time.

PAYING TRIBUTE TO THE LIFE OF GRAY PARSONS OF WILKES COUNTY, NORTH CAROLINA

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from North Carolina (Ms. FOXX) is recognized for 5 minutes.

Ms. FOXX. Madam Speaker, I rise today to honor a fallen hometown hero from Wilkes County in North Carolina. Gray Parsons, a Millers Creek firefighter, fell in the line of duty earlier this month while responding to a fire near Wilkesboro, North Carolina.

Parsons was a dedicated member of the North Carolina Forest Service's Fire Attack Support Team, where he had served for the past 10 years. His funeral was a tribute to his many years of service to the local community as local fire departments from across Wilkes County came out in force to honor Gray Parsons' life.

Many of Parsons' friends and family have said that giving his life in the line of duty was just how he would have wanted to go. He was a committed firefighter, a skilled chain saw operator, and an amazing wizard when it came to repairing anything mechanical.

He was generous with his always-ready smile and his hands were continually working to help others. His coworkers knew Gray Parsons as a man who was dedicated to his work. In fact, the day he responded to his final fire in Wilkes County was his day off, but he had spent the day helping his partner at the Forest Service finish a project. That was just the kind of person he was, generous, hard-working and committed.

The Wilkes community hailed Parsons as a model local hero at his funeral. His life inspired everyone who knew him for his kindness and indefatigable pride in his work and those he served.

He was a true American hero, an everyday man, who took pride in the uniform he wore and who loved to serve his community and protect those in danger.

He will be profoundly missed and will leave a gaping hole in the Wilkes County community, Forest Service and local first responders. My thoughts and prayers are with the friends and family of this great man who gave his life in the service of others.

TREATING ALL CITIZENS EQUALLY

The SPEAKER pro tempore. Under the Speaker's announced policy of January 6, 2009, the gentleman from Texas (Mr. CARTER) is recognized for 60 minutes.

Mr. CARTER. Madam Speaker, I thank you for recognizing me this evening.

I was real pleased to see our 30–Something Group over there has expanded their folks, a lot of new faces, and new faces are good for Congress. It is good to see them, and even though my in my opinion they are a little misdirected, they certainly are entitled to their opinion. I am not here to debate them tonight. Maybe some other night I might be here for that purpose.

Tonight I am here because I have been raising and talking about an issue here in the last couple of weeks, probably now going on a month, about a change in the tax law that I proposed in the form of a bill that I introduced here to instigate the ''Rangel Rule,'' which would allow ordinary citizens to be treated as nicely as CHARLIE RANGEL, the chairman of the Ways and Means Committee, who by his own admission on the floor of this House failed to pay taxes for a period of quite a long time, something like 10 years or better. But he did catch up on those taxes when he finally realized kind of, whoops, I messed up for about 10 years, and maybe I ought to pay these taxes. It may have been a longer period of time than that. I don't know. It is not really relevant to the issue. The issue is that he was not assessed any penalties or interest by the IRS.

I really have a hard time figuring that out, because I have talked to a lot of people back home in Texas who have like not filed their taxes on April 15th, but have gotten an extension, and they ended up filing like on August 15th or October 15th, which is not a real long delay, nothing to compare with like 10 years or 20 years or whatever the period was. But they all got assessed penalties and interest by the IRS, and we really don't like to think that just because somebody happens to be the chairman of the Ways and Means Committee that they should be treated any differently than, say, those folks back there that I talked to in Texas or the folks that have contacted me from all over the country on this issue.

So I have been raising that issue, and in all fairness tonight I want to be fair to Chairman RANGEL, because he is a man that, of course, this House highly respects. There are other issues that have to do with Mr. RANGEL. We may go into some of those tonight. But in all fairness to the chairman, maybe I should have expanded this rule a little bit, because there are others who have issues that need to be dealt with, at least talked about.

You know, the current Secretary of the Treasury, Tim Geithner, I guess he had some issues that he had with taxes too. His were very confusing to me, because the other day, I couldn't find the board tonight, but we had a picture of a letter that a company sent, a fairly sizable check around $30,000-plus that was sent to Mr. Geithner, telling him here was his money he was supposed to pay his taxes with, and he was signing, by the obligation of this form, he was obligating himself to pay his Social Security and Medicare taxes.

□ 1915

And that he, by the signing of this document said, ''I sure will. I promise you. I give you my word, that I will pay these taxes.'' And then, whoops, he just kind of let it slip his mind for about 4 years. And, in fact, it had completely slipped his mind until he became the subject of discussion in the United States Senate about whether or not he had a clear conscience to serve as the Treasury Secretary of the United States. At that point in time, he realized that, ''Uh-oh, I believe I forgot something. I believe I forgot to pay my taxes for 2001 and 2002 and 2003 and 2004 and maybe some more.'' And so he rushed in and he paid those taxes.

Now, he didn't pay them all because he was slick enough or smart enough or maybe good lawyer, if he's lawyer, enough to know that the statute of limitations had run on 2 years of these taxes he was supposed to pay. And so I think he relied upon that statute to prevent him from having to pay that amount of money. But he, like Chairman RANGEL, he did some hustling and some catching up, and he caught up and he paid his taxes.

Now, you know, it's real upsetting to the IRS when people don't pay their income taxes. They get real upset about it. But my experience of being a lawyer and a judge for, well, going on 30-something years is that they get particularly irritated when you don't pay the Social Security and Medicare taxes you're required to pay, because they kind of feel like that's a whole lot bigger crime than slipping up and miscalculating on your income tax.

And they get downright serious about that. I've seen them padlock people's businesses over failing to pay those taxes. I have a good friend that used to run a place called Big G's in Round Rock, and he got padlocked all the time back in the '70s when I represented him. And he always got slapped with heavy penalties and heavy interest.

But Mr. Geithner, Secretary Geithner, he finally paid some of those taxes, and he paid some taxes, some interest. But once again, just like Chairman RANGEL, he wasn't assessed any penalties for intentionally not paying his taxes. And I say ''intentionally'' only by the state of the evidence that has been presented and the fact that he signed a document addressed to the IRS in which he pledged to them that he knew that the check they had sent him was for taxes and he knew he was obligated to pay those things.

So, with that sworn statement, I think it's pretty fair to say he intentionally didn't pay his taxes. Now, you know, he may have had just a temporary lapse of memory, but let's hope not, because we really don't want to think that the man that's in charge of the monetary system of the United States has that kind of temporary lapses of memory. I mean, we, as American citizens, certainly don't look for that quality in a Treasurer. And so I think we ought to be concerned about that.

So I guess what I'm starting off to say here is that I don't want Mr. RANGEL to think that I'm just mistreating him by himself, because I really don't intend to do that. I really think it's time for us to look at all these issues that are ethical issues that seem to have come up in the majority since the Democrats have been in charge of this Congress.

And, you know, it's kind of funny. I think it's really amazing. There are polls that show that the American people really think that the Democrats have only been in charge of this Congress since President Obama got in office. But, I mean, that's a mistake. This is actually the third year that the Democrats have been in charge of this Congress. So those things that everybody talked about last year that they thought the Congress did very poorly, and many seem to point the fingers at the Republicans, at that time the Republicans were not in charge of this Congress. This was the Democrats' Congress. They are in charge of it. They decide what comes to the floor and what doesn't come to the floor. They set the policies of this Congress at this time, and they have for the last almost 3 years.

So back when the Republicans were in charge, they talked about a culture of corruption. I'm not talking about a culture of corruption yet, but I am talking about certainly some lapses in ethical behavior on behalf of our colleagues.

And as our President, who, by the way, made a very nice speech last night, and many of us were very taken back by his speech—and we all recognize his very good talent at speaking to the American public. President Obama is a very skilled speaker. And I sat right there in that chair right there, and I listened to the whole thing, and I was impressed.

But he's had a little problem with some of his people that he's gotten to go to work for him. Besides the ones that we just talked about—and Secretary Geithner got away with what he had to do. I guess if we're going to have the ''Rangel Rule,'' we might have the ''Geithner Getaway,'' because he certainly got away with not paying his taxes for a period of time.

But, you know, Secretary of State, who was a candidate for the President of the United States, Hillary Clinton, she also had some issues that people got concerned about and probably should be. Her husband's foundation, President Clinton's foundation, received over $500,000 in donations from foreign governments and foreign nationals, and we've asked President Clinton's wife, Secretary Hillary Clinton, to be our representative to those foreign nations. There are strict guidelines about accepting donations like this, but it seems that those restrictions didn't seem to apply to her.

Of course, she's been confirmed and she does represent us with all foreign countries and all the foreign representation in the world. She is our agent. She speaks for us. The question we have is, is it ethical to take donations from foreigners and then serve this Nation as our representative with foreign nations? Is that the right kind of behavior? Is that the ethics that this House ought to be standing up for and the Senate ought to be standing up for? Could there be a conflict of interest here that we really should have discussed? Because she's negotiating with nations, many of whom have contributed to a foundation which furthers issues that are important to Bill and Hillary Clinton.

So, you know, she's there, and I'm sure that she's going to do a good job. I certainly hope so. But I think we at least ought to ask these ethical questions about Secretary Clinton.

Governor Richardson from New Mexico was another one that the President of the United States thought would be an outstanding Cabinet member. He was man enough to actually pull his name down because there were being issues raised in New Mexico about payments of pay-for-play schemes with companies that were involved with the State of New Mexico. And rather than bring this ethical lapse to the forefront, he thought it was better if he just stayed in New Mexico and dealt with his issues there, rather than having to bring them up here to Washington. That's good. It's a good thing. It looks like, after two or three tries, we're finally going to hopefully get a Commerce Secretary here.

So the whole point of being here tonight is to point out that you're not hearing a lot about it but there are an awful lot of ethical lapses of judgment that are going on in the Congress these days. And they seem to be all coming from the ruling majority.

I see that I have a friend here that has joined me. He's always a good friend, and he always comes to my aid when I'm standing alone, and that's my good friend and classmate, Dr. BURGESS from Texas.

Dr. BURGESS, I'd like you to join me and give us your ideas on some of the subjects we're talking about and any other subjects you want to talk about. I'll yield you such time as you may choose to consume.

Mr. BURGESS. I thank the gentleman for yielding. And as always, it's a pleasure to join him on the floor of the House. He has such good ideas.

And, certainly, the concepts talked about tonight are something that have perplexed me, perhaps not the individuals involved, but the concepts involved have perplexed me for years, because our Tax Code is complicated. It turns out it's so complicated the chairman of the Ways and Means Committee, the committee that's charged with writing our tax laws in this country, they've written laws that are so complicated they can't understand them and they cannot follow their own law.

Now, the judge very kindly has introduced legislation that if we're going to grant dispensation to the chairman of the Committee on Ways and Means, perhaps we ought to grant that same dispensation to others who are at a less high station in life and perhaps find themselves just as unfortunate when trying to deal with our very complicated Tax Code.

The fact is, Madam Speaker, the Tax Code does not need to be so complicated. There are great ideas out there for simplifying the Tax Code. The good news is that 80 percent of the people in this country think that Congress ought to do something. They don't identify whether they think the Republicans ought to do something or the Democrats ought to do something, but Congress ought to do something about the complicated Tax Code that people have to follow.

We've got the chairman of the Ways and Means charged with writing the tax law, cannot follow the tax law because it is too complicated. We've got perhaps the smartest financial mind in the world, the man that was chosen as the President's Secretary of the Treasury, who has been charged with dealing with this very harsh financial environment in which we find ourselves, who, in spite of that high station in life and in spite of that keen, incisive intellect that is going to allow him to chart that course through these very turbulent economic waters, can't fill out his income tax, even when aided by TurboTax.

But I'm all about solutions, and I'm here to offer the solution that is going to uncomplicate the lives of these two very powerful and important public figures, public figures that we know we need to get us through these turbulent economic times.

Madam Speaker, I spent my life in health care. And we were deprived of one of the bright lights in health care, a former Senator, Tom Daschle, who had to withdraw his name from consideration because of difficulties with reporting taxes. And, quite honestly, it is difficult to know you have a car and driver that someone gives you, is that something you have to report as income?

We could simplify this process and eliminate these problems that would allow us many more great public servants to be able to come to the fore and help us with these vexing problems, economic turbulence and the difficulty with our health care system.

Now, I was a doctor back in Texas for over 25 years. You know, the old saying

goes, ''There's nothing as certain as death and taxes.'' But I will tell you that sometimes the taxes seem a lot more complicated than death. The Tax Code was created in this very body some 96 years ago, back in 1913. And it has grown from—you know, we talk about the length of bills today. In fact, we had one on the floor that stretched up halfway to the ceiling. But the initial Tax Code was 400 pages. Now the Tax Code stands at well over 67,000 pages, and the complexities are well-known. But they don't need to be there.

Part of the problem is, over the 96 years since the Tax Code was introduced, men and women on both sides of the aisle who were well-meaning have attempted just a little bit of social engineering into the Tax Code, and the result is this very complicated, complicated 67,000-page structure that we have in front of us today.

And it's creating problems for those of us who want to be in compliance with the law. We're desperate to be in compliance with the law. And every single American simply trying to comply with the law and fill out their taxes by April 15th is supposed to be familiar with all of those 67,000 pages of the tax rules.

□ 1930

Again, you consider a man as brilliant as the Secretary of the Treasury, Timothy Geithner. He couldn't understand and had difficulty filing his taxes. Well, you've got to wonder does your own tax attorney understand everything that's in those 67,000 pages, because when it comes to the Tax Code, ignorance of the law is no excuse. So we must fix the Tax Code.

Americans don't always see eye to eye on every issue. In fact, you saw evidence of that here last night, but again, 80 percent of the American people, according to American Solutions, think that the system of the way we go about filing and collecting our taxes needs major change. Everyone knows the problems. Every year, Americans waste billions of hours and billions of dollars complying with the complex Tax Code. In 2005, the average taxpayer paid almost $2,000 in household compliance costs. That means, you know, you've got to work several days a week just to pay the cost of paying someone to fill out your taxes because you don't want to make a mistake because things could go very badly for you. You might lose an opportunity to serve your government at the very highest level if you don't do this correctly.

I brought a little poster to share with the Congress. Again, I'm doing this in the spirit of generosity in offering a possible solution. I realize there are other solutions out there, and by no means do I intend to disparage other solutions that people are willing to talk about, but this is just one idea that's out there.

It was developed by my predecessor, Congressman Armey, when he was in the House of Representatives here for many, many years. He wrote a book called the Flat Tax, and I remember buying the book in 1995. I believed in the book. I thought, certainly, by 1996 or 1997 that Majority Leader Armey would have had that enacted into law. We sit here now over a decade later. It's time. It's time for just this type of change. Let's go through it. It's so simple, Madam Speaker.

It's just a little bit of personal information: Name and Social Security number; a spouse, if you have one, and the Social Security number; you write down your income, your personal exemptions; you add a couple of lines; you calculate the tax; you multiply it by the taxable income calculation—17 percent in this legislation that I introduced last week that, interestingly enough, is called H.R. 1040. It makes it easy to remember.

So, if you're following along at home and are wondering what is this panacea for our tax problems, H.R. 1040: calculate your taxes; calculate the refund; send it in. What did it take? All of 30 minutes—30 seconds. I beg your pardon. We have trouble with zeros here in this Congress. It takes all of 30 seconds, and you're done.

You don't have to keep that shoe box full of receipts. You don't need to go online and download a program that you don't understand. You don't need to have the concern that you filed a tax return that is in error and that you're going to be held accountable for that. No more expensive tax attorney bills. The hours of stressful research into preparing your taxes, think of what Americans could do with those hours if they were no longer bound to their desks in their houses, really, literally between now and April 15. There's no telling how many nice spring weekends are going to be spent sifting through that shoe box full of receipts. No more of Congress' picking one special interest group over another to reward in the Tax Code, and no more potential leaders of the free world who'll be having to pull their names out of contention because they can't comply with a very complicated Tax Code.

So, again, I come here tonight in the spirit of goodwill, in the spirit of offering solutions. We should be about solutions.

One of the things on the bill that I introduced, H.R. 1040, is a flat tax, but I'll have to say that Congress doesn't always know best, and I trust the American people to know best in their situations. If a family has constructed its finances around the IRS code, it would be wrong for Congress to simply come in and change all the rules of the game all at once. So this tax would be optional. People would have a period of time when they could opt into a flat tax. If they'd constructed their family's finances around the complicated Tax Code and they wanted to continue to file under the Tax Code, they could do so, but boy, if they're ready to kick that shoe box of receipts over into next week and take that weekend off that they were going to spend doing their taxes, that would be their choice. We should give Americans the power to choose, the power to make that choice as to whether or not they would like to opt into a fair or flatter tax.

A flat tax would be much less costly. Taxpayers could save $100 billion a year just on the cost of compliance. The result in increased personal savings would be a stimulus package that could have an immediate effect on the American economy.

Well, Madam Speaker, we live in a very political time, and this concept that I'm offering tonight is done in the spirit of offering solutions, in the spirit of cooperation to Members on both sides. I encourage people to look at H.R. 1040. Give me your ideas. Certainly, the bill has been introduced. Cosponsors are on the bill even as we speak, so there is an opportunity for other Members of Congress to cosponsor this legislation.

Again, you think of the difficulties the judge has already pointed out. He has had to introduce a bill called the Rangel Rule so the poor, little guy in his district who gets caught in the tax trap can at least have the same consideration in the tax courts that we gave to the chairman of the Ways and Means Committee.

We've got the Geithner getaway. We've had the Daschle dodge. All of these issues could have been avoided if we would have simplified the Tax Code. It is within our power to do it. The American people are looking to us for solutions. They're not looking for partisan rhetoric. They're not looking for one side to gain an advantage over the other. They want us to work together on big issues like this. Eighty percent of the American people feel that the simplification of the Tax Code is something that is well-nigh due for the American landscape—filling out your taxes on a postcard, making it simple, giving that time back to your families. Yes, people need money nowadays, and the economy is rough, but boy, if you can give people back time, that is extremely, extremely significant. So we're going to give back money and time with a simplified tax form.

Madam Speaker, I am so grateful to my friend from Texas for yielding me time to talk on this very timely and important subject. We're just a few weeks away from the tax filing deadline, and many of us are going to lie awake at night and are going to wonder: By golly, am I going to have to file for the Rangel Rule because I made a mistake on my taxes, and now someone may be coming after me?

Fortunately, they've got Judge CARTER looking after them, and the gentleman from Texas has introduced his very forthright legislation, so we're trying to protect you on both sides. Maybe this is a preventative medicine flax tax where you won't even have the problem, but the judge has the remedy

if you've gotten into difficulty with the Rangel Rule and with the Geithner getaway.

I appreciate the judge's holding this hour tonight.

Mr. CARTER. Reclaiming my time for questions to my colleague.

First off, I'm very aware that my colleague has been a strong proponent of the flat tax as we've been here in Congress, and I appreciate his coming up again and giving us his special message about what he sees as a solution to this problem. If I could ask you a question, Dr. BURGESS:

On the issue of Senator Daschle, who took about $180,000 worth of car rides or something, would this form solve that problem? Would that still be income to Mr. Daschle under the flat tax?

Mr. BURGESS. You know, Judge, you've asked a very good question. My understanding is it would not. We would simplify his life by his not having to keep up and keep tally. Everything that was offered as part of his compensation package would be considered under the 17 percent flat tax.

Mr. CARTER. That's the answer. I was wondering about that because it sure would have helped Senator Daschle in his quest to serve at the cabinet level of this administration if he hadn't had to claim those things, but of course, I guess we know under the present Tax Code—and most everybody knows—that if somebody spends money on your behalf, you gain benefit from spending money on your behalf.

I mean most all of us around here have to catch a cab every now and then. Shoot, it doesn't take any time at all before you run up a $15 or $20 cab fare. So I guess, in having a car drive you all over town for several years, you ought to kind of in the back of your mind figure that somebody's paying for this, and it's certainly not you, and they're doing it on your behalf, and you're getting the use of it, so maybe you ought to at least think about the fact that it ought to be income to you in some form or fashion.

It certainly was a benefit. I think that maybe Senator Daschle ought to be jumping up and down to be promoting the flat tax over with our colleagues on the other side of the aisle so he can, maybe, stay out of this kind of trouble the next time he comes along and somebody wants to make him one of the Secretaries of our administration.

I guess Mr. Richardson could have some benefit from the flat tax, and Mr. Geithner might even have some benefit from the flat tax. In fact, you've come up with a solution, and I want to thank you for coming up with solutions. Now, I have some friends who would argue that the fair tax also would be a solution, but we won't go into that today.

Mr. BURGESS. If the gentleman would yield, that is a fair observation. Again, by coming here tonight and talking about something that has been important to me for well over a decade, by no means do I mean to say that this is the only concept that's out there. There are other people who have good concepts. We ought to have the debate as a body and take good ideas from all within the body and come up with the answers to the tough questions. This is what the American people sent us here to do. If we can find a better way, if we can deliver time and money to the American people, then we should do so.

Mr. CARTER. Reclaiming my time, Dr. BURGESS, in a sense of fairness to our colleagues, I've come up with the Rangel Rule.

Do you think that I should seek to amend the legislation to expand the definition or the title of this rule where it's not just all on poor Chairman RANGEL's back? Maybe we could call it the Rangel/Geithner/Daschle/Who is Next Rule on paying taxes.

Mr. BURGESS. Well, if the gentleman would yield, he has posed a question that is technically very complex, and as just a simple country doctor, I'm probably not qualified to render an opinion on the title of his legislation.

Mr. CARTER. Truly, it's not a good night to go into the complexities because I think everybody knows it's pretty simple, that if you have to pay penalties and interest when you fail or if you just make a mistake on your income tax—and my colleagues who sit around this House would be in that same boat, I assume, because they're not the chairman of the Ways and Means Committee—then maybe the chairman of the Ways and Means Committee ought to pay those penalties and interest, too. If he doesn't, then maybe none of us should.

That's the whole idea behind the Rangel Rule. It's a simple rule. Just write at the bottom of your tax form ''wish to exercise the Rangel Rule,'' and all penalties and interest would be excused. What a joy that would be for so many taxpayers in the United States. It would be a bipartisan effort because it wouldn't just be for Republicans or Democrats or even Independents. It would be for everybody.

Mr. BURGESS. If the gentleman would yield, I love the spirit of forgiveness that he has embodied within this legislation.

Again, my purpose in being here tonight was to offer a possible solution. I think Members of Congress should be about solutions. The American people want to see us be about solutions. This is one that is widely embraced and polls very well, but I would yield the floor back to the judge, and would certainly, again, thank him for his forthrightness and for his leadership in holding this special hour tonight.

Mr. CARTER. Well, I appreciate your coming back up here and telling us about the flat tax. I think the flat tax is a concept that all Americans, no matter what party they're a part of, should at least have the patience to take a look at. The flat tax is for the simplification of the public's life because, really and truly, we spend overtime around this place complicating Americans' lives. I believe they would be blessed to no end if we would just spend a little time de-complicating their lives.

This last week, in fact, I got off the phone tonight. A fellow asked me about that stimulus package. He said he watched JOHN BOEHNER drop that thing on the floor here and scare everybody in the room. He wanted to know was that really the stimulus package or was that just something he dropped to get people's attention. I said, ''No, that was it,'' and that was very complicated.

I think, honestly, everybody would say that, in the 12 hours that that stimulus package was available to Republicans and to many Democrats, nobody, even the best speed reader wasn't able to read that almost 1,100 pages and decipher what it meant. Unfortunately, I happen to be a fellow who has had to deal with deciphering what the law means for a long time.

□ 1945

And some of the Federal laws are written in such a way that, you know what? It takes an act of Congress to figure them out, as we say back down in Texas, because they are very complicated, and we complicate people's lives. So the flat tax may be an idea whose time has come that we won't complicate people's lives.

The purpose of talking about all of these issues that concern the ethical behavior of this House is because it has been the subject of the 30-Something Group which preceded me here for at least 4 years that I know of. I have sat in the chair where the Speaker is sitting right now and heard the 30-Something Group accuse people in this House of corruption. I haven't accused anyone of corruption because I think, actually, that's beyond the pale of what Members of Congress should do.

I just said that there is ethical lapses that have to be discussed, and if they turn out to be more than that, that's for someone other than me to discuss. That's for someone like the Ethics Committee or the Justice Department to deal with, but not for me to deal with.

I'm certainly not accusing anyone of corruption here tonight. But I am very concerned that we put sunlight on the types of behaviors where Members of Congress have failed to do the responsibilities that we tell the American citizens is their responsibility as a citizen—that is, pay their taxes and pay them on time. And yet they don't suffer the penalties that the average taxpayer suffers for failing to do that. That's the purpose of me being here today.

I'm really pleased to see my friend from California (Mr. DREIER) here. I hope he will talk to you and share some of his wisdom on the issues of ethics.

I know you served in this House for many, many years, and you've dealt

with these issues over and over. And I'd like to yield you what time you'd like to use here.

Mr. DREIER. Mr. Speaker, I thank my very good friend and colleague.

I've heard two Texans up here talking about not only the issue of ethics but also tax reform. And I'd like to take a few minutes to talk about a proposal that I put forward that I believe will go a long way towards dealing with a lack of compliance, which is an issue that we are regularly addressing, and something that there has been very little talk about, and that is the issue of economic growth.

We've talked about saving our economy. We've talked about working towards recovery. But it seems to me, Mr. Speaker, one of the important things that we need to focus on is economic growth itself. And, frankly, if we had a tax code that is like the one that my friend, Mr. BURGESS, was just talking about a little earlier, I think that many of the problems that we have with people who have not complied with the Tax Code would, in fact, be diminished.

As my friend said, he's not accusing anyone of ethical violations as he's standing here, but we do know this: with a tax code that is as voluminous as it is, it encourages a lot of the behavior that we have. And I think what we need to do is simplify it.

On the opening day of this Congress, I was privileged to introduce, as I did in the last Congress, what I call the Fair and Simple Tax Plan, F-A-S-T, which is FAST. And I think there is so much common sense to this. And I know that, having two very distinguished gentlemen from Texas, common sense is in great abundance in Texas. And I will admit it is, on occasion, lacking in my State of California. But remember, we've got common sense in California, but we have, on occasion, not enough common sense. But it seems to be very abundant in Texas, and even in North Carolina. I see my colleague from North Carolina here, and I think it's abundant there.

But I do believe, Mr. Speaker, that as we look at a commonsense approach to deal with the issue of economic growth—which, again, should be a very important driving factor for us here because we're not simply talking about stemming the downturn, we're not talking about, you know, our attempt to recover. We need to have policies that create bold, robust economic growth, and we can do that.

So let me take a moment, if I might, Mr. Speaker, and talk about the Fair and Simple Tax Plan.

What it consists of is taking the six rates that we have today and it cuts that in half down to three rates. The first rate, which is the income on the first $40,000, would be a flat 10-percent rate. Then, for income between $40,000 and $150,000, the rate would be 15 percent. And the flat rate for income above $150,000 would be a 30-percent rate.

Now, I know a lot of people say, ''Why don't we just do a clean, simple flat tax and have that be it?'' Well, there are a number of things and challenges around here, a number of areas that are really sacrosanct.

People always talk about the need to deduct the interest on their home mortgage, right? When we talk about a flat tax, the red flag seems to go up and they say, ''What about the deductability of interest on home mortgages?'' Well, under the Fair and Simple Tax Plan—which, again, was introduced on the opening day—we maintained the opportunity for people on a single-page form to deduct the interest on their home mortgages.

And what else is very important and sacrosanct to people, and that is to be able to make charitable contributions. So we maintained the deductability of charitable contributions.

And one of the things that President Obama spoke here in this Chamber about last night was the issue of health care and the challenge that exists there. We all know that we need to take action. So the Fair and Simple Tax Plan includes a $15,000 exclusion so that people can purchase either direct health care or they can purchase insurance. And, again, it incentivizes them to do that.

Then it deals with issues that have been heavily debated here. One of the things that people are concerned about regularly are jobs leaving the United States and going overseas. Our constituents talk about that with regularity.

A lot of people make what I believe is a misplaced claim that somehow embarking on trade agreements, which simply open up new markets, that causes the flow of jobs out of the United States into other countries. Well, the fact is it's not trade agreements, Mr. Speaker, that do that. What it is is it's the fact that the United States of America has a tax, a tax on businesses, the job creators in this country, that is second only to Japan. And under the Fair and Simple Tax Plan, we slash that tax from 35 percent to 25 percent. Again, as you talk to those job creators out there, that would go a long way towards encouraging economic growth.

And then the capital gains rate. Well, people say, ''What capital gains do we have today with this market downturn?'' We need to look long-term. We need to look at what we want. And we want greater economic growth and to reduce that top rate on capital gains from 20 percent to 15 percent rather than increasing it, as I believe action that would go a long way towards encouraging economic growth and it would help us deal with the flow of revenues that we will need for much of the spending that is taking place.

And we all acknowledge, well, the stimulus package went way, way, way overboard with $800 billion and a thousand pages. We were passing that thing around as we were debating it the other day, those of us who could catch it and could throw it with 1,100 pages.

The fact is we all recognize that infrastructure spending is essential, very, very important for the goods' movement and other things here. But we could do that for significantly less than the $800 billion that is in this so-called stimulus bill.

So we need revenue to be generated, and I believe that slashing the top rate on capital gains, taking that rate on job creators, on businesses, from 35 to 25 percent, would go a long way towards creating economic growth, which, therefore, would create the flow of revenues that we need to meet a lot of these essential items that are out there.

Mr. Speaker, the other thing that it does is that it completely eliminates the inheritance tax, the death tax, throws it out the window. We all know that for people who have to go to a funeral home and then deal with the Internal Revenue Service within a matter of days is a challenge. I have had to go through this. It's very painful. That tax is very, very punitive. It's forced people to have to sell businesses and others just to meet that tax obligation that is there.

Right now that tax rate has been 45 percent, and it had been 55 percent. And I believe that if we could completely eliminate that, that would, again, create a tremendous opportunity for growth to take place. A lot of small businesses would be saved.

And all of this is done within the context of a single-page form, throwing the complex code that we have out, and the taxpayers would have the option of going to this Fair and Simple Tax Plan.

I think that that's the kind of creative proposal that we need to take on to deal with the challenge of economic growth, which I think should be priority number one as we seek to deal with the economic downturn that we have.

I also want to say that on the overall issue of ethics, I'm very proud—there are a lot of people who have said on this issue that when we Republicans were in charge, we did next to nothing on it. Well, as my friend knows very well, when Republicans were last in charge, we put into place very, very strong—a very strong ethics reform package.

We dealt with a lot of these issues, and it hasn't gotten the kind of attention that I believe we need to get. Why? Because people have constantly engaged in attacking Republicans. And, obviously, there has been corruption on both sides of the aisle. A very, very bipartisan thing, tragically, has been that corruption has existed on both sides of the aisle.

But I do want to make sure that the record is clear that we, when we were in the majority, spent an awful lot of time addressing that issue, and we put into place with some bipartisan support, I think, very good ethics reform.

But especially at this time—and my friend is absolutely right. We need to make sure that a good example is set for the American people because we are going through a tough time. The President made it so clear. His opening remarks last night were so on target, about the fact that people have sleepless nights, the fact that people are anguishing over this. This notion of a high school student opening that envelope and having to put that acceptance letter back into the envelope, as the President said so well here last night, is the kind of story we hear with great regularity.

And I, the other day here on the floor, shared an even greater tragedy. A very good friend of mine told me that his 14-year-old son's best friend's father had just committed suicide because of the serious economic downturn that we have faced. And I've talked to a number of people, and the suicide rate has continued to climb as it relates to the economic challenges that we have.

That's why I continue to believe that even though we've passed this so-called economic stimulus package—which, from my perspective, I hope and pray, we all hope and pray, that it brings us out of the downturn that we're going through right now. But, frankly, if one looks at history, it is proved to have failed.

Now, in special orders, a number of us have been regularly quoting Secretary Morgenthau. Henry Morgenthau was the Treasury Secretary under Franklin Delano Roosevelt. And in 1939, Secretary Morgenthau was testifying before the House Ways and Means Committee. And in his testimony before the House Ways and Means Committee, he said the following—now, remember, this is Franklin Delano Roosevelt's Treasury Secretary. I've read the card so many times, I've got it now committed to memory.

He said, ''We have tried spending money.'' Again, this is testimony before the Ways and Means Committee. ''We have tried spending money. We have spent more money than we have ever spent before. Now, after 8 years of this,'' the Roosevelt administration, ''we have an unemployment rate that is just as high today as it was when we started, and we have an enormous debt to boot.'' That's what the Secretary of the Treasury of Franklin Delano Roosevelt said in testimony in 1939 before the House Ways and Means Committee.

I got to thinking about this the other day, and I believe that we should look to another Democratic President as our model for economic growth, that being John F. Kennedy. So, over the weekend, I started reading up about Douglas Dillon, who was the Treasury Secretary under John F. Kennedy. He put into place bold, robust, dynamic economic growth policies through tax cuts that took the top rate from 90 to 70 percent and had a capital gains reduction. And it unleashed tremendous growth, a surge in the flow of revenues in the Federal Treasury.

Similarly, I was very honored to be elected to this Congress, as my friend said correctly, a long, long time ago. 1980 is when I was privileged to be elected, the same day that Ronald Reagan was elected to be President. And Ronald Reagan inherited a tremendous—a very, very difficult economic time. The unemployment rate was very, very high. Interest rates were approaching 20 percent. We had inflation very high. It was a very, very, very challenging time economically for our country.

And what was it that was put into place, I should say not just a few weeks after he became President, as has been the case here, but after 6 months of going through a very deliberative process? We put into place in May of 1981 what was known as the Gramm-Latta budget package that reduced the rate of spending by the Federal Government by 17 percent. And in August of 1981, we put into place the Conable-Hance tax package, which reduced marginal rates and doubled the flow of revenues to the Federal Treasury through the decade of the 1980s.

□ 2000

Yes, there was a great deal of spending—a lot of spending on defense, a lot of other spending that took place from this Congress—but we still saw that surge in the flow of revenues to the Federal Treasury.

So we have the ideological bags of the past. Secretary Morgenthau referred to the fact that they spent more money than they ever spent before, and yet they had an unemployment rate that was as high as when they started. And we had John F. Kennedy and Ronald Reagan, who has these bold, dynamic, robust marginal rate reduction packages that created a surge and flow of revenues to the Treasury by reducing marginal tax rates. That's what we should be doing today. And I think that using things like our fair and simple tax plan as a model for that would help us deal with the challenges that we have.

I thank my friend for the hard work that he has put in on a wide range of projects. I'm pleased to sit with him in the leadership of this great institution. We meet regularly and sit next to each other in those meetings, and he always has a very, very insightful and thoughtful proposal on a regular basis. And I believe that it really stems from what I began talking about, and that is that Texas common sense. So I thank my friend for yielding.

Mr. CARTER. And I thank you for your comments, my friend from California. Mr. DREIER, as we have well seen, is very knowledgeable in the concepts of this House and how it operates, and the history of this House and what the history tells us.

I want to thank both my colleagues for coming out here today. And, quite frankly, we have been asked by and challenged by the administration to put forth ideas. I would hope that the White House is monitoring what was said by both of my colleagues here tonight as some ideas that ought to be looked at and considered. We really do want to work with the administration and share ideas. And we would really like to have a world where nothing is off base, because obviously the two parties disagree on a lot of policy, but a free flow of information and ideas is what the American people expect us to do. And I think we heard two gentlemen tonight who put forth different, but similar, ideas as to how to simplify our lives and how to turn things around.

To me, bipartisan is not, ''here's our bill, if you vote for it, we're bipartisan.'' Bipartisan is, we sit down and we discuss the issues, sometimes one at a time. And when we conclude, we hear both sides, and then people are willing to give and take to make it work.

You know, if the President of the United States told us when he was elected that he was vehemently opposed to earmarks, that he was going to do everything he could to get rid of earmarks, and if he finds spending in a bill that everyone would acknowledge is an earmark and he chooses to veto that bill because it goes against what he told the American people his principles were and the Republicans help support that veto because they agree with the principles that he put forward, that is certainly bipartisanship—and that opportunity may actually arise over the Omnibus bill that we passed today with the 9,000 some odd earmarks that are contained therein. So that's bipartisanship. Listening to what Mr. DREIER and Mr. BURGESS have to say and not dismissing it out of hand, that's bipartisanship.

And so, that's kind of an aside from what I'm here to talk about tonight. But I'm really grateful for my colleagues to come in here and put these ideas out on the table because I think they're good ideas. And I don't necessarily agree completely with every one of them, but I'm certainly willing to listen. And I think our President has told us he is willing to listen. And I take him at his word. I think he is, and I hope he will. And I feel good about it; I think he will.

Now, I've talked about ethical issues tonight, I'm going to talk about them some more because there's a lot more that we can talk about. And they are issues that are important. And I'm trying to be friendly about it, but make no mistake, I have spent 26 years of my life making sure that the laws of my State are abided by. And people who violate those laws, after all of their rights are protected under the Constitution, if they are convicted of doing something wrong, I honestly believe they should be punished. And I've been involved in that also.

So, although I try to be friendly about this discussion—and I will continue to try to be friendly because the American people are tired of mean

spiritedness—I want everyone to understand that, from my personal belief, everyone is entitled to their day in court, everyone is entitled to be presumed innocent. I'm not making accusations that you should consider convictions. But should there be a conviction, I believe that this body is not above the law, and we should keep it that way. And I will pledge myself to do so. And I think every Member of this body would feel the same way. And that's why these little ethical slips give the impression that somebody might be above the law.

We are a nation of laws, we are not a nation of men. And being a nation of laws, we expect everyone, no matter what their status, to abide by those laws. This body is a body of rules, and we expect Members of this body to abide by those rules; and the failure to abide has consequences.

So even though I'm trying to be as friendly as I can on these issues, I want everybody to understand that those are principles that this country stands on and that this body stands on, and I intend to make sure that those principles stand firm. I think my colleagues across the board, both sides of the aisle, in their heart of hearts will agree with me. And I think it was a right policy when a Member, even though a close, personal friend of mine, was accused of something, that under our rules he had to step down until his issues were resolved. And I think it's unfortunate that the Democrats, under their rules, don't take the same position; that if a serious accusation of misbehavior or breaking the law is raised against a Member in the form of an indictment, that that person has to step down from positions of leadership. Both sides should have the same rules. Unfortunately, we don't have it that way.

Still, I defend every person's right to be presumed innocent until proven guilty beyond a reasonable doubt. And I will stand for any Member of this House, no matter what his party affiliation, to preserve that right on his behalf because I have preserved that right on behalf of thousands of people who were convicted by a jury of their peers of heinous crimes, and yet that was a right guaranteed by our Constitution. It's a right guaranteed to our Members. So make no mistake, I make no accusations of guilt because that's not appropriate under our system, but I do raise questions of ethical lapses, and I will continue to do so.

I thank the Speaker for allowing me to speak here tonight. I'm going to yield back my time now. And I want to thank my colleagues who joined me here tonight. And we will be doing some more of this, and I hope other colleagues will join us and give us their ideas.

RECESS

The SPEAKER pro tempore (Mr. HIMES). Pursuant to clause 12(a) of rule I, the Chair declares the House in recess subject to the call of the Chair.

Accordingly (at 8 o'clock and 8 minutes p.m.), the House stood in recess subject to the call of the Chair.

□ 2215

AFTER RECESS

The recess having expired, the House was called to order by the Speaker pro tempore (Mr. PERLMUTTER) at 9 o'clock and 15 minutes p.m.

REPORT ON RESOLUTION PROVIDING FOR CONSIDERATION OF H.R. 1106, HELPING FAMILIES SAVE THEIR HOMES ACT OF 2009

Mr. HASTINGS of Florida, from the Committee on Rules, submitted a privileged report (Rept. No. 111–21) on the resolution (H. Res. 190) providing for consideration of the bill (H.R. 1106) to prevent mortgage foreclosures and enhance mortgage credit availability, which was referred to the House Calendar and ordered to be printed.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. PERRIELLO (at the request of Mr. HOYER) for the week of February 23 on account of family illness.

Mr. KLINE of Minnesota (at the request of Mr. BOEHNER) for today after 3:30 p.m. and the balance of the week on account of family obligations.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. HARE) to revise and extend their remarks and include extraneous material:)

Mr. HARE, for 5 minutes, today.
Ms. WOOLSEY, for 5 minutes, today.
Mr. SESTAK, for 5 minutes, today.
Mr. DEFAZIO, for 5 minutes, today.
Mr. KISSELL, for 5 minutes, today.
Ms. KAPTUR, for 5 minutes, today.
Mr. SPRATT, for 5 minutes, today.

(The following Members (at the request of Mr. PAUL) to revise and extend their remarks and include extraneous material:)

Mr. POE of Texas, for 5 minutes, March 3 and 4.
Mr. JONES, for 5 minutes, March 3 and 4.
Mr. WOLF, for 5 minutes, today.
Mr. GOODLATTE, for 5 minutes, today.
Ms. JENKINS, for 5 minutes, today.
Mr. BROUN of Georgia, for 5 minutes, today.
Ms. FOXX, for 5 minutes, today.

ADJOURNMENT

Mr. HASTINGS of Florida. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 9 o'clock and 16 minutes p.m.), the House adjourned until tomorrow, Thursday, February 26, 2009, at 10 a.m.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 8 of rule XII, executive communications were taken from the Speaker's table and referred as follows:

661. A letter from the OSD Federal Register Liaison Officer, DoD, Department of Defense, transmitting the Department's final rule — Procedures and Support for Non-Federal Entities Authorized to Operate on Department of Defense (DoD) Installations [DoD-2006-OS-0041; 0790-AI35] received February 10, 2009, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Armed Services.

662. A letter from the Under Secretary for Acquisition, Technology and Logistics, Department of Defense, transmitting a report of the Strategic Materials Protection Board meeting on December 12, 2008, pursuant to Public Law 109-364, section 843; to the Committee on Armed Services.

663. A letter from the Chief Counsel, FEMA, Department of Homeland Security, transmitting the Department's final rule — Suspension of Community Eligibility [Docket No.: FEMA-8055] received February 17, 2009, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Financial Services.

664. A letter from the Chief Counsel, FEMA, Department of Homeland Security, transmitting the Department's final rule — Changes in Flood Elevation Determinations [Docket ID FEMA-2008-0020; Internal Agency Docket No.: FEMA-B-1027] received February 17, 2009, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Financial Services.

665. A letter from the Chief Counsel, FEMA, Department of Homeland Security, transmitting the Department's final rule — Final Flood Elevation Determinations — received February 17, 2009, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Financial Services.

666. A letter from the Secretary of the Commission, Federal Trade Commission, transmitting the Commission's final rule — Changes For Certain Disclosures — received February 9, 2009, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Financial Services.

667. A letter from the Director, Supplemental Food Programs Division, Department of Agriculture, transmitting the Department's final rule — Special Supplemental Nutrition Program for Women, Infants and Children (WIC): Discretionary WIC Vendor Provisions in the Child Nutrition and WIC Reauthorization Act of 2004, Public Law 108-265 [FNS-2006-0035] (RIN: 0584-AD47) received February 17, 2009, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Education and Labor.

668. A letter from the President and CEO, Corporation for Public Broadcasting, transmitting the Corporation's annual report regarding the activities and expenditures of the independent production service, pursuant to 47 U.S.C. 396(k)(3)(B)(iii)(V); to the Committee on Energy and Commerce.

669. A letter from the Director, International Cooperation, Department of Defense, transmitting pursuant to Section 27(f) of the Arms Export Control Act and Section 1(f) of Executive Order 11958, Transmittal No. 19-08 informing of an intent to sign a Memorandum of Understanding among the United States and the United Kingdom concerning Operations and Support of Advanced Extremely High Frequency Military Satellite