Montana State Legislature. Both houses of the legislature approved this legislation unanimously. Thirteen other States have anti-REAL ID legislation that has passed one of the houses of the legislature. In Montana and the rest of these States, opposition to this poorly constructed law is bipartisan.

That is why I am pleased to once again offer my support for the Identification Security Enhancement Act, introduced by Senator AKAKA and Senator BYRTUS—another bipartisan show of opposition to the REAL ID Act.

Why is there so much opposition to REAL ID beyond the beltway? It comes down to three reasons. First, the REAL ID Act puts massive new Federal regulations on the States. From new databases and fraud monitoring, to new network and data storage capacity, the States will be tasked with an enormous range of new regulations and requirements. Once REAL ID becomes effective, Department of Motor Vehicles will have to play immmigration official by reconciling discrepancies in social security numbers with the Social Security Administration. DMVs will have to require proof of “legal presence” in the United States for immigrants.

I am for a strong immigration policy. I believe we ought to enforce our borders and enforce the laws we have on the books. But it is completely unreasonable for the Federal Government to put that job on the Montana Department of Motor Vehicles, or any other State’s DMV.

And these new regulations carry with them a hefty pricetag. DHS now estimates that REAL ID will cost the States and their taxpayers $23.1 billion.

Finally, REAL ID raises some very real privacy concerns. Data mining and data theft have become all too common phrases for too many Americans who resent having their personal information collected by the government, or worse, having it stolen from the government. We all recall the massive potential problems that arose from the theft of personal data from the VA last year. I have no doubt that the databases called for in REAL ID will be an even greater target for data thieves.

We can do better than REAL ID. Senator AKAKA’s legislation shows that. Today, Montana adds its voice to those calling for the Federal Government to go back to its drawing board. Let’s listen to what Montana has to say.

PAYOLA SETTLEMENT

Mr. FEINGOLD. Mr. President, I would like to briefly comment on an important settlement that has been recently announced by the Federal Communications Commission, FCC.

Four major radio station groups, Clear Channel, Entercom, Citadel, and CBS Radio, have taken an important first step in cleaning up the radio industry through today’s consent decree with the FCC and side agreement with the independent music community on airplay and rules of engagement. I want to especially commend Commissioner Adelstein for his tireless work to bring these groups together and then-Attorney General Spitzer for spearheading the initial investigation that has led to State and now Federal settlements.

I was encouraged to see internal business reforms, increased recordkeeping for transactions between labels and radio stations and unfettered access to these records by the FCC as part of the consent decrees. While these provisions are not as broad as those included in my previous payola legislation, the increased recordkeeping and disclosure in the consent decrees represent a step in the right direction. Transparency and accountability through sustained oversight will go a long way in eliminating the pervasive shadowy practices that have plagued the radio industry on and off almost since its inception.

While the consent decrees do not directly admit wrongdoing, the payment of $12.5 million to the U.S. Treasury from the four station groups is an implicit acknowledgement that the evidence provided by then-Attorney General Eliot Spitzer showed that significant abuses had taken place. From all accounts, the stations also deserve some credit for working in good faith with the FCC and the independent music community to work towards a solution that was more than just putting this matter behind them. The internal reforms and side agreement negotiated with the American Association of Independent Music, A2IM, appear to show a real desire to change and include the voices of local, unsigned and independent musicians that have unfortunately been missing more often than not from our public airwaves over the past decade or more.

I am pleased by the voluntary side agreement signed by the four station groups to provide more airtime and fair rules of engagement. These rules of engagement are critical to making it easier for small local musicians to be heard. With more and more musicians being successful without or with limited radio airplay—just look at the commercial and critical success of the Dixie Chicks’ last album—I hope radio stations are realizing they must change and play what their potential listeners want to hear in order to remain relevant. I hope this important commitment by four station groups will be replicated throughout the rest of the radio industry.

I have a few lingering concerns that both the consent decrees and side agreement depend heavily on continued good faith instead of strong enforceable standards. I have no reason to believe that the potential good from these agreements will not be fulfilled, but we can’t allow backsliding, especially after the 3-year term of the decrees expires. This means that the FCC must maintain its investigations and continued oversight. I urge the FCC to take the next step of building on this first wave of settlements and reaching agreements or taking enforcement action against the other stations implicated by the Spitzer investigation.

TAX RELIEF

Mr. GRASSLEY. Mr. President, I ask unanimous consent that a posting by someone under the name “Blue Bunting” made to the Care2 News Network be printed in the RECORD. This posting is a supplement to a speech I gave last Thursday, April 12, on attempts by some Democrats to elude responsibility for tax relief permanence.

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

[From Care2 News Network]
THE MONSTER REPUBLICAN TAX Hike
COMMENTS

Blue Bunting: Tuesday April 3, 2007, 8:32 pm

Last week I made a note to link to this post at Obsidian Wings. I just spotted the note. Hilzoy notes the commentary in some quarters that:

Following the example set by their Senate brethren last Friday, House Democrats will adopt a budget resolution containing the largest tax increase in U.S. history amid massive national inattention.

But you didn’t know that, eh? The Dems are already pushing through the largest tax increase in U.S. history! and nobody is paying attention!

Anyway, Hilzoy digs a bit further into the story. It really is worth elucidating for tax relief permanence.

Long story short . . . Republican Congresses chose not to make their tax cuts (or, as PGL would note, their tax deformers) permanent. They didn’t have to put in a sunset clause—they chose to, in an attempt to make long term projections look better. Even with that obfuscation, the situation no longer looks quite so simple. If the new Democratic Congress doesn’t do what the Republican Congresses that preceded it failed to do, namely make the tax cut permanent, well, that’s the equivalent of the Democrats pushing the largest tax increase in history.

Maybe it’s just me . . . but since this whole thing was planned and executed by a Republican Congress under a Republican President, shouldn’t we be referring to this as the Republican’s tax increase? And my bet is that there are a lot of Republicans in Congress now, and that will be seeking re-election some time soon, that voted for this massive tax increase.

Blue Bunting: Tuesday April 3, 2007, 9:07 pm

Fact Check
Robert Novak wrote this in today’s Washington Post:
"Following the example set by their Senate brethren last Friday, House Democrats will adopt a budget resolution containing the largest tax increase in U.S. history amid massive national inattention. Nobody’s tax payment will increase immediately, but the budget resolutions set a pattern for years ahead. The House version..."
would increase non-defense, non-emergency spending by $2.5 billion for next fiscal year, with such spending to rise 2.4 percent in each of the next three years. To pay for these increases, the Senate would raise taxes by close to $400 billion over five years—about $100 more than what was passed in the Senate.

Heavens, I said to myself, what can Robert Novak possibly be talking about? The Democratic budget (pdf, h/t The Gavel) does not actually increase taxes.

And yet this claim that the Democrats’ budget contains a tax increase is being cited all over the place. What’s up?

Novak gives us a clue:

“It had been assumed that the new Democratic and President Bush’s relief in capital gains dividend and estate taxation. The simultaneous rollback of Bush-sponsored income tax cuts was a surprise.

Ah, Rolling back the Bush tax cuts. But wouldn’t that still require some actual changes in revenues from the baseline projections? A GOP Budget Caucus press release gives us further details.

Note that word ‘automatic’. It’s quite worrisome. How did the Democrats manage to create an automatic tax increase? Don’t tax increases normally have to be enacted? I hope not. It would be awful if tax increases could just happen automatically. Come to think of it, it would be even worse if it turns out that the tax cuts were intended to be permanent, and all sorts of laws could be passed automatically. I mean, who knows what the U.S. Code might decide to do itself, without the intervention of any human agent? We could wake up one morning to find that ping pong had been automatically criminalized, or that a requirement that all Americans wear airbags had automatically come into force, or that all our national parks had automatically sold themselves to WalMart. Taxes are horrible.

Imagine my relief when I realized what was actually going on. The Bush tax cuts are set to expire automatically. They were written that way. What the Democrats are proposing to do is simply not to change this.

Moreover, guess who wrote these sunset provisions into the tax increases? The Republicans, that’s who. They were trying to make the tax increases seem less fiscally ruinous than they were, so they made them last only until they expired. It is why I expect 2010 to produce a spike in mortality among the very rich; the heirs of people who pay no estate tax are now heirs of people who die in 2011 pay 50% on all the money they inherit above the level at which the estate tax kicks in. As Paul Krugman said, “That creates some interesting incentives. Maybe they should have called it the Throw Momma From the Train Act of 2001.””

So now what Novak’s “largest tax increase in U.S. history” actually comes to the Republicans passed a series of tax cuts that they already intended to make permanent, but never got around to it. The Democrats are proposing to leave their tax cuts alone. But this counts as a tax increase. It is apparent on the grounds that what every Republicans sorta kind of thing they were going to do, but never actually got around to doing; costs are already stored in anyone who proposes to leave things alone counts as undoing the things they were intending to do.

That is a much more simple way to think. Maybe we should also count the Democrats as having dramatically increased the budget deficit, on the grounds that Republicans sorta sorta said they were going to make it go away, so even though they didn’t, we should act as though they did and compare what would have happened if Republicans had in fact produced a beacon of democracy that transformed the Middle East, and say: hey, you awful Democrats, we were being greeted with flowers and candy, and halleluiah, and now look what’s happened to Baghdad!!!!

Or maybe we should try living in the real world. The Democrats are proposing to leave taxes in place and enact Republican proposals for tax cuts alone. That does not count as increasing taxes.

Michaelena Whitaker: Thursday April 5, 2007, 11:21 am

 Ditto, Blue . . . it’ all a political ploy, as usual (“High Treason” has been THE neocon agenda since the Indigo Nation: Saturday April 7, 2007, 11:14 pm

Impeachment is the only way to end these atrocities and reclaim America’s conscience and honor.


Read this thread and take action to impeach. Also follow my news shares on withholding your taxes as a protest.

SMALL BUSINESS TAX BURDEN

Ms. SNOWE. Mr. President, today millions of taxpayers, many owners of small businesses, will file their income tax returns. Tax reform legislation passed in the Northeast, including my home State of Maine, have rightly been given an additional 48 hours to file due to the devastating storms resulting in disastrous flooding, wind damage, and power outages.

As citizens file their taxes this week, I am very happy to say that a wide majority of Mainer and Americans alike will be fully compliant in reporting the appropriate amount of income, with the Internal Revenue Service estimating 84 percent of taxpayers are compliant. The unfortunate flip side to that statistic is that 16 percent of taxpayers will either report income or underreport income and thus fail to pay all the taxes owed. This misreporting of income has resulted in a $345 billion gross tax gap, which is the difference between taxes owed and paid.

Unquestionably, we must ensure that taxes owed are taxes paid. While the Congressional Budget Office, CBO, projects a deficit of around $200 billion this fiscal year without any adjustment through 2011, the fact remains that narrowing the tax gap would help reduce the deficit—plain and simple.

Not only does the tax gap prevent us from balancing the budget, equally disturbing is how noncompliance breeds disrespect for the tax system and can lead to the further shirking of obligations. The result could be that, to fill the gap, law-abiding taxpayers would have to pay higher taxes. Consider the following: According to preliminary IRS data, for 2005, taxpayers filed 134.5 million individual income tax returns. If we were to shrink the tax gap, each of those returns would have to be assessed additional tax in the amount of $2,566. I would not want to be in position to ask my constituents for more of their hard-earned money, especially to cover those who are not paying their fair share.

Last year, the Treasury Department issued “A Comprehensive Strategy for Reducing the Tax Gap.” This document astutely points out, the Tax Code’s complexity is itself a significant source of noncompliance. The current Tax Code costs the Government revenue since even those who try their best to follow the rules, often end up underpaying tax because the rules are too complicated and difficult to decipher. Therefore, any solution to the tax gap must also require simplifying the Tax Code.

A top priority I hear from small businesses across Maine and this country is the need for tax relief. Despite the fact that small businesses are the real job creators for Maine’s and our Nation’s economy, the current tax system is placing an entirely unreasonable burden on them when trying to satisfy their tax obligations. The current Tax Code imposes a large, and expensive, burden on all taxpayers in terms of satisfying their reporting and record-keeping obligations. The problem, though, is that small companies are disadvantaged most in terms of the money and time spent in satisfying their tax obligation.

For example, according to the Small Business Administration’s Office of Advocacy, small businesses spend an average of 8 billion hours each year complying with Government reports. They also spend more than 80 percent of this time on completing tax forms. What’s more troubling is that companies that employ fewer than 20 employees spend nearly $1,304 per employee in tax compliance costs, an amount that is nearly 67 percent more than larger firms. A recent survey by the National Federation of Independent Businesses found that 88 percent of small-employer taxpayers used a tax professional and the two reasons small-employer taxpayers most frequently cite for using tax professionals are to assure compliance and the complexity of the law.

For that reason, I have introduced a package of proposals that will provide not only targeted, affordable tax relief to small business owners, but also simpler rules under the Tax Code. By simplifying the Tax Code, small business owners will be able to satisfy their tax obligations in a cheaper, more efficient manner, allowing them to be able to devote more time and resources to their business.

I have introduced legislation, S. 269, in response to the repeated requests from small businesses in Maine and from across the Nation to allow them to expense more of their investments, like the purchase of essential new equipment. My bill modifies the Internal Revenue Code by doubling the amount a small business can expense