

Well, it's time for true change. Let's get what we should have and not what people talk about.

CONSIDER THE FAIR TAX

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Florida (Mr. STEARNS) is recognized for 5 minutes.

Mr. STEARNS. I'm here to support the Fair Tax. The current U.S. Tax Code is too big, too complicated, and benefits too many special interests, and must be replaced with a code that is fair and encourages savings and investment.

This code has been amended tens of thousands of times, my colleagues, and it's grown to over 60,000 pages, possibly more. For this, and many other reasons, I rise in support of the Fair Tax and urge my colleagues to consider this new tax simplification program.

The Fair Tax will eliminate Federal income taxes, corporate income taxes, payroll taxes, capital gains taxes, the alternative minimum tax, and the death tax, and replace it with a flat, simple and efficient consumption tax.

Mr. Speaker, Ronald Reagan hit the nail on the head when he described the government's basic view of the economy as: "If it moves, tax it. If it keeps moving, regulate it. If it stops moving, subsidize it."

Unfortunately, Mr. Speaker, this burdensome view taken by our government has resulted in the current problem we face today, where citizens and business owners across this country devote billions of hours and billions of tax dollars just to navigate the process of paying their Federal income tax.

A simpler Tax Code may have prevented former Senator Daschle or current Secretary of the Treasury Geithner the embarrassment of having to explain their failure to properly pay the taxes due to the complicated IRS tax system.

I know many of my constituents in the Sixth Congressional District are aware of how this simple tax reform will work when implemented. They have written numerous letters to me and voiced their support at many town meetings.

I thought I'd take a moment this afternoon to lay out the basic principles of this legislation for those who are not familiar with the Fair Tax.

The Fair Tax will do away with all Federal taxes such as income tax, the death tax, as I mentioned, all the way down to the estate tax. Basically, many Americans with low incomes will receive a check at the beginning of each month from the Federal Government that will cover the cost of the consumption tax on necessary goods, thus increasing the purchasing power of low-income individuals and completely avoiding any unintended tax increase on their purchasing power.

Furthermore, a study conducted by Harvard economist Dale Jorgenson illustrates that roughly 22 percent of the

retail price of an item is the direct result of the cost our current Tax Code places on a product through payroll taxes, business taxes, business taxes, compliance costs, and other taxes.

Therefore, by paying an additional consumption tax, we will be able to fund our entire government, and the taxpayer can keep 100 percent of his hard-earned paycheck. This would lead to increased savings, increased investment, and Americans, not the Federal Government, would decide how to best utilize their wealth.

In addition, Mr. Speaker, the Fair Tax, through its simplicity, will provide transparency to the Federal budget and Federal spending here in Congress. Each time the government claims a needed tax increase to fund runaway spending, as we do, and government expansion, or special district funding requests, the American citizen would be directly affected by this irresponsibility and would be aware of it immediately through the transparency of the Fair Tax system instead of hidden tax increases and budget gimmicks that our government institutes today.

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So now, my colleagues, it is time to get rid of this complicated, inefficient, and unfair tax. Now is the time to institute transparency, efficiency, and, finally, fairness in our Tax Code.

Now, for those of us in Congress and perhaps throughout the Nation who are skeptical, I have a suggestion for them, an approach that I think would be possible. Why not take Washington, D.C. as a demonstration project to see if it would work here in Washington, D.C.; allow all residents of this city to pay no Federal taxes, and institute a fair consumption tax, and this consumption tax would be collected by the city and then sent to the Federal Government. Then we could see how it would work and discern its advantages and disadvantages.

The Fair Tax I think ultimately would prove to be very useful, and I urge my colleagues to stand for real change and support this fair solution.

H. RES. 251

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Ohio (Mr. LATOURETTE) is recognized for 5 minutes.

Mr. LATOURETTE. Mr. Speaker, I rise today to share with you and Members of the House the introduction of a resolution of inquiry regarding the payment of executive bonuses to employees of American International Group, AIG. It is H. Res. 251.

Mr. Speaker, my constituents and I, as well as many Americans across the country, are outraged at the unfurling of events surrounding this freewheeling company which helped to lead us into the financial disaster we now face.

To make matters worse, we find out this week that the administration was fully aware of the March 15 payment of

\$165 million in executive or retention bonuses for many months. Even more troubling is the fact that the one person who was in the dark about the pending bonuses, until last week no less, was our very own Secretary of the Treasury who was supposed to be masterminding our economic recovery and banking recovery.

It is clear from the media reports that AIG did not award these bonuses as a snub to the administration, but instead waited until they had the blessing of the Secretary of Treasury, who apparently believes he did his due diligence by berating AIG and then saying that there was nothing that he could do to stop the bonuses.

The fact that we are rewarding the very people who caused the largest corporate loss in history is astounding. Just recently, the Attorney General of New York has indicated that at least 73 AIG employees received bonuses in excess of more than \$1 million, including nearly one dozen AIG employees who no longer work for the beleaguered firm.

Mr. Speaker, there are millions of Americans who have lost their jobs during this economic crisis, and most did their jobs well with great purpose and performance. There are no bonuses for them. Instead, they risk losing their homes, health care, and more. Meanwhile, AIG employees who engaged in risky, perilous behavior that brought our economy to the brink of collapse are rewarded.

There is a great deal of finger-pointing about how we got into this mess and what Congress and the administration is doing. Let me state just a few facts.

Since the beginning of this Congress, which is about 2½ months old now, only eight bills have been signed into law; and this week is like many others in the House, virtually no substantive legislative activity. This House, within 8 days of one person being attacked in Connecticut by a chimpanzee, rushed through legislation to make it harder to own chimpanzees. Mr. Speaker, where are our priorities? Here we sit, wringing our hands over how to curb bailout abuses, and what have we done to date to show for it?

Today, again, the House was deeply contemplating a series of non-controversial bills under suspension, including two measures naming post offices, and approving a bill supporting Professional Social Worker Month. I like social workers, Mr. Speaker, but who in their right mind thinks that that should be a priority today or this week while the Nation is roiled in anger over these bonuses? We might as well tackle more chimp or monkey legislation.

Mr. Speaker, based upon the Nation's unemployment rate, which hit a new high of 8.1 percent in February, that translates into 16 Americans losing their job every minute. Americans are struggling to keep their homes. Two