

prevented that free trade, this 3 percent holding provision, what is the common ground, Mr. Speaker? Congress is doing too much in regulating. America is doing too much in regulating this country.

I ran on that premise, Mr. Speaker. The challenge is we are not doing too little. The problem is that we are doing too much and burdening those small businesses.

The former soviet bloc countries, Mr. Speaker, have learned from that example. They have flat tax rates, no exemptions, no exceptions, and their tax collections went up.

Mr. Speaker, folks can't pay taxes if they don't have a job. You can't pay income taxes if you don't have a job. And you can't have a job if you don't have opportunity in your society.

The Fair Tax, Mr. Speaker, H.R. 25, goes right to the heart of these jobs issues. Repealing those burdensome taxes, repealing those regulations, and making sure everybody gets a fair shake, because that is what America is all about.

REPEALING THE 3 PERCENT WITHHOLDING TAX

The SPEAKER pro tempore. The Chair recognizes the gentleman from Virginia (Mr. CONNOLLY) for 5 minutes.

Mr. CONNOLLY of Virginia. Mr. Speaker, there are 14 million Americans out of work. They need jobs. This economy needs jobs. Unfortunately, jobs have not been a focus for the House Republican leadership thus far. While private sector job growth has dwindled, House Republicans have repeatedly placed partisanship above policy. It's long past time we vote on a jobs bill.

The President's American Jobs Act contains a number of important jobs initiatives which have traditionally enjoyed bipartisan support: tax cuts for businesses, tax cuts for workers, tax cuts to employ veterans, and investments in critically needed infrastructure in this country. Unfortunately, the Senate Republicans voted to kill this job creator and the House Republican leadership hasn't even brought it up for debate.

Today, however, we have a small opportunity to help small businesses and provide them with greater predictability by repealing the burdensome 3 percent withholding requirement on government contractors, vendors, farmers, and Medicare providers. The President has called for its repeal, and this is a bipartisan bill supported by many of us on both sides of the aisle.

The 3 percent withholding regulation became law under President Bush in 2005 in a Republican Congress. The original intent may have been to ensure tax compliance among a very small number of bad actors, yet the sledgehammer approach that was adopted is creating far more challenges than the problems we're trying to solve. Since then, a number of bipar-

tisan efforts have delayed its implementation, but temporary measures, at best, leave businesses uncertain and wary about future investment.

My district here in the National Capital region is probably home to more Federal contractors than any other in Congress, and I routinely hear from them about this issue everywhere I go. They report that the 3 percent withholding will unduly restrict their cash flows, increase project bond costs, and imperil their ability to expand and create jobs.

In addition, this burdensome regulation won't just harm the private sector. It actually hurts State and local governments that contract with private companies subject to the withholding requirement. I know from my experience as chairman of the Fairfax County Board of Supervisors that this regulation would create an accounting nightmare for our local and State partners. An estimated 20 percent of counties throughout the country have more than \$100 million in annual expenditures that would be subject to this withholding. As county chairman of such a jurisdiction, I worked diligently with an open RFP process to ensure the lowest cost and value for our taxpayers.

This will be an administrative nightmare for State and local governments, which would be forced to undergo the collection and forwarding of the unnecessary withholding to the IRS. The cost to the Department of Defense to be compliant with this regulation is they would have to withhold more than \$17 billion from private companies every year.

Furthermore, many businesses subject to the requirement would either have to increase their business or stop bidding on projects with local governments. Either way, whether competition is limited or prices are increased, counties would be forced to pay higher costs to vendors, further burdening local taxpayers at a time they can't afford it. We need to partner with the private sector to spur economic growth and recovery from this recession. This regulation would serve only as a roadblock to that effort.

The Government Withholding Relief Coalition represents more than 140 trade associations, State and local governments, and stated that the total cost of the 3 percent regulation would be \$75 billion over the next 5 years. Repealing it today will provide businesses with greater predictability and remove undue government intrusion into their operations. With greater predictability, America's businesses will be better able to invest in job creation. We can provide that predictability today.

I urge my colleagues to vote to support small businesses and vote for H.R. 674.

HONORING THE 20TH ANNIVERSARY OF THE MOTHER BACHMANN MATERNITY CENTER

The SPEAKER pro tempore. The Chair recognizes the gentleman from Pennsylvania (Mr. FITZPATRICK) for 5 minutes.

Mr. FITZPATRICK. There's much debate on the floor of this House about the plight of the uninsured. We need more discussion about health care solutions, and we need more praise for those health care professionals in our communities who do the hard work of providing health care for the poor and the uninsured without government mandate and without government involvement.

I rise today to honor the 20th anniversary of the Mother Bachmann Maternity Center, part of St. Mary Medical Center in Langhorne, Bucks County.

For over two decades, the Mother Bachmann Center has been providing women of Bucks County with the health care they need, regardless of their ability to pay. Certified nurse midwives provide obstetrical care to women who are uninsured and are underinsured. Women who would otherwise go without quality medical care during their pregnancy have access to a wide range of services, including nutrition education, financial counseling, and prenatal and delivery care.

The Mother Bachmann Center is also able to partner with Catholic Social Services in order to identify patients at risk for postpartum depression and to offer them social support and important counseling services.

This Center aims to provide a continuum of care to new mothers and their families who are in need. St. Mary and its partners offer emergency housing in 10 local apartments, where families receive financial counseling, parenting skills instruction, and computer education to help them in their search for employment. The Mother Bachmann Center also offers confidential domestic violence evaluations and resource referrals in partnership with a local nonprofit agency that helps women and helps families in crisis.

This Center is just one part of a larger group of community programs, including the Children's Health Center and the Family Resource Center, that serve expecting and new mothers of Bucks County through St. Mary Medical Center.

The Mother Bachmann Center is a prime example of charitable organizations and community groups coming together to address an important issue with effective local solutions. St. Mary Medical Center, with this center, has provided the community of Bucks County with an alternative to handouts from the State, local, or Federal Government. These types of programs not only provide quality health care services, but they also empower women to take charge of their pregnancies and navigate their first trials as a new mother.