

It means, basically, a tax increase on carbon dioxide emissions that will lead to a reduction in energy use. That sounds good. But it will also lead to an enormous erosion of America's family budget. This will tax every single American and tax those who are in most difficulty and who have most difficulty making ends meet.

The administration's budget calls for a 100 percent auction of allowances under a cap-and-trade system to reduce greenhouse gas emissions. Sounds good, doesn't it?

The President's "cap-and-tax" proposal will impose mandates and further regulations on manufacturing and will dramatically increase the cost of energy and electricity. This proposal will create a great transfer of wealth between coal-dependent States like West Virginia and those that rely on alternative resources, with no change in the ultimate environmental outcome of the cap-and-trade policy and a huge estimated GDP loss.

I think there's one thing we know here in this time and right now is that a solid economy is the best way to innovate and create and solve problems that we need help with.

So you say, Where does the money come from? If you're going to trade and buy, where does the money come from? That money will come from the individual consumer because the manufacturers, the electricity producer, all the folks who are going to be trading allowances are going to have to find that money somewhere, and it's going to be tacked on as a form of an energy tax to every single American.

Under the Lieberman-Warner legislation of last year, the EPA estimated a rise in electricity costs between 44 and 79 percent. In West Virginia, the price of our electricity would go up between 103 and 135 percent. That is going to hurt folks on fixed incomes, our elderly, and it's going to hurt the poor the most, who cannot afford the huge chunk out of our budgets that energy takes right now.

The revenue returned to consumers from the President's budget, he says he's going to give money back to folks to help them meet this high cost. But that is not even close to covering the increase in household electricity costs.

When the President was a candidate, this is what he said, "What I've said that if we would put a cap-and-trade system in place that is more—that is as aggressive if not more aggressive than anyone else's out there, so if somebody wants to build a coal-powered plant, they can, it's just that it will bankrupt them because they're going to be charged a huge sum for all that greenhouse gas that's being emitted."

Remember, the State of West Virginia, 98 percent of our electricity is generated by coal.

Manufacturing output will fall considerably if the President's plan goes through. The whole idea is to tax the consumer, to bring down emissions,

and no consideration has been made as to what this is going to do to the rank-and-file everyday citizen.

What is the job loss? In West Virginia, under Lieberman-Warner—and I realize that's not the President's bill. The President's bill is even broader reaching than this one. The estimation of the job loss is between 7,000 and 10,000 jobs between now and the year 2020.

Addressing climate change concerns is a global challenge requiring global solutions. We need common sense. We need to slow down here because unilateral action by this Congress and by the United States will have no impact, or very little impact on global emissions but will also have a great impact on our economy and on our citizens.

We need to innovate and use technology. We could use the development of advanced clean coal technologies; most importantly, CCS, or carbon capture and storage technologies.

We need technology to push as hard and fast as we can. I urge caution. We need to slow down. For the sake of my constituents and those in States like mine, we should not forget this as our debate moves forward.

KEEPING PROMISES MADE

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

Mr. GOHMERT. We've heard a lot about AIG and how they shouldn't have been getting those bonuses they got—\$165 million—but let's take a real objective look here.

These executives took one of the biggest, most important companies in the world, in the country, and they ran it into the dirt. They bankrupted a lot of other companies. But they didn't have to go into bankruptcy because they convinced the government to come in with taxpayer dollars and give them \$173 billion.

Now that's pretty extraordinary. They still have their jobs. Why wouldn't they get a bonus? Good night. You run a company into the dirt and then talk the government into giving you \$173 billion in taxpayer dollars, that's deserving of something, and apparently somebody thought it was worth a bonus.

Well, the fact is they shouldn't have gotten bonuses. They should have been in receivership. But I keep looking for people to finally keep the promises that they have made.

We heard that we were going to get change that people could believe in. We saw with the bailout back in September what some of us knew was a horrible mistake, and we said it then.

Even though I am a Republican, I was looking forward to change from the deficit spending. Yet we have just gotten more and more and more of the same. When are we going to get change? Isn't it about time we quit the deficit spending? It would sure be nice.

We were told that there would be no more lobbyists in this administration. I liked the sound of that. It sounded good. Well, it turned out he meant no lobbyists except for the ones they actually hired to be part of the administration.

We were told there would be new ideas in this administration; we'd go in a new direction; we'd have change. But then we got a Secretary of the Treasury that is given credit for thinking of a lot of the plan that Paulson had, even though I still haven't been able to figure out what plan that was.

So we didn't get change. We're getting more of the same. More and more of the deficit spending. When are we going to get the change?

We have heard from the majority over and over again for the last 4 years that deficit spending is bad. I agreed with them my first 2 years here, 2005 and 2006. So when they took the majority, I thought, Well, the good news is they'll finally stop this ridiculous deficit spending. But they didn't. It got worse and worse and worse.

Then when they found that there was a President from the same party, instead of together, since they control the House, the Senate and the White House, to completely bring an end to deficit spending, it's just gotten worse and worse.

This madness has to stop. We are blessed right now with a President who's one of the most gifted communicators I have ever seen in my lifetime. But what we are finding is that true leadership is not going to be found between the lines in a Teleprompter. You can look at the Teleprompter, you can read from it, but that is not where leadership is.

I heard right here from that podium, Mr. Speaker, at the State of the Union last month these words: "We're going to assure the continuity of a strong, viable institution that can serve our people and our economy," and President Obama said, "I understand that on any given day, Wall Street may be more comforted by an approach that gives banks bailouts with no strings attached, and that holds nobody accountable for their reckless decision. But such an approach won't solve the problem."

He went on to say, "This time, CEOs won't be able to use taxpayer money to pad their paychecks or buy fancy drapes or disappear on a private jet. Those days are over."

And then here we come the following month—there were no strings attached—to say, You know what? You ran this company in the ground. You don't get a bonus with taxpayer dollars.

I'm kind of outraged over that. Like my friend, Mr. FORBES, I'm kind of outraged that people are outraged they didn't stop this, when some of us—you go back to some of our comments on this very floor—we said, Read the bill. It's a problem.

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