

Mr. Speaker, I understand that **real** tax reform is absolutely necessary. In 2013, the Harvard Business School published a report that identified the most important federal policies to promote American growth and competitiveness. **Two** of the eight priorities were tax related: first, to simplify the corporate tax code with lower statutory rates and fewer loopholes, and, second, to reform the taxation of foreign profits so we don't disadvantage American businesses and workers. Many Democrats would work with the majority to achieve these pro-growth tax reforms; that's how it worked so well in 1986 under President Reagan and Speaker O'Neill.

But we should not -- and we don't need to -- balloon the federal debt to achieve these goals, and that's exactly why Republican proposals in the House and the Senate are so harmful for our country.

We know that the national debt itself is anti-growth. That's why the **same** Harvard study that advocated tax reform **also** prioritized a stable federal budget.

- Public debt crowds out private investment. CBO estimates that every \$1 in additional deficit crowds out \$0.33 in private investment.”
- Debt gives us less flexibility to respond to emergencies.
- Debt increases the risk of another financial crisis, because when investors lose confidence in the government's ability to pay back borrowed funds, interest rates can spike.
- And as interest takes up more of the budget, less will be available for other programs, including roads, bridges, scientific research and our national defense.

When Congress passed the Bush tax cuts, national debt was at a level equal to 32% of the US economy. Today it's at 77% of GDP. These

bills will put our national **debt** on track to be larger than our national **economy**. We can point fingers at each other about how we got here. But if we are trying to get out of a hole, first we need to stop digging.

And we will not **grow** our way out of this hole.

According to the nonpartisan Committee for a Responsible Federal Budget, **no estimate** that accounts for the economic impact of higher debt has found the bill would raise the growth rate by more than a quarter of the Republicans' declared 0.4-point growth target." In a survey at the University of Chicago, famous for its conservative economic theorists, 37 of 38 economists agreed that the GOP tax bills in Congress would cause U.S. debt to increase "substantially" faster than the economy. And at the University of Pennsylvania Wharton School, which the President himself trumpets as his alma mater, teeming with smart people, their dynamic scoring model found "that the House bill would lose between \$1 trillion and \$1.7 trillion over a decade in revenue, **after** accounting for growth.

What in the world has happened to the Grand Old Party and fiscal responsibility? Will we really risk destabilizing the dollar, the world's economic currency? Will we ask China to lend us money so we can defend ourselves from North Korea? I've heard from my Republican colleagues how important it is to pay for our spending, to get our fiscal house in order, to get our national debt under control. I asked one colleague why he had run for Congress and he told me that he was so concerned about burdening his children with this mountain of borrowing that he had to do something – his eyes filled with tears as he talked about his kids. And yet he, and many like him, voted in a rush to add at least 1.5 trillion to the debt, without a road or a Navy ship or a scientific grant to show for it.

Nobody seriously contends that this is wonderful policy resulting from serious deliberation through regular order. It's not. The only reason for this effort – and this is out of the mouths of legislators themselves -- is that there is political pressure from interest groups and donors to “get something done.” That is the definition of putting party before country and it's exactly what people hate about Congress.

This is **not** what you or your constituents really want. They don't want their tax breaks to expire while corporate breaks don't. They don't want students to suffer from even more debt. They don't want to lose their health care because of the premium spikes we know will be coming. They don't want housing to be even more expensive than it is today. They don't want to face automatic Medicare cuts forced by Congressional spending limits.

And if you are worried about the blowback from not doing something – or taking extra time to get it right – wait until you see the reaction when people understand what's really in here after it's already passed!

We can do a **real** tax reform without jeopardizing our children's future. Make the corporate rate 25% instead of 20%, like the Business Roundtable and Mitt Romney once suggested – that saves \$600 billion. If you must lift the exemption for the estate tax, don't eliminate it—that saves \$50 billion. Maintain the Alternative Minimum Tax for high earning families, but index it over time so it doesn't catch the middle class. Work with Democrats to find ways to limit tax expenditures, but save the burden for those who can afford it. If my Republican colleagues will commit to doing that, I will commit to working with you, and I will honestly and publicly thank you for putting country before politics.

I yield back.