has long claimed to be. India should therefore make it clear that it is by the United States and the rest of the international community.

COLORADO BLUESKY ENTERPRISES IS COMMITTED TO HELPING OTHERS

HON. SCOTT McINNIS
OF COLORADO
IN THE HOUSE OF REPRESENTATIVES
Thursday, July 29, 1999

Mr. McINNIS. Mr. Speaker, I would like to take this opportunity to recognize the innovation and dedication of Colorado Bluesky Enterprises, Inc., of Pueblo, Colorado. The services which this institution provides for the developmentally disabled citizens of Pueblo and Pueblo County are both noble and commendable.

Formerly known as Pueblo County Board for Development Disabilities, Inc., Colorado Bluesky Enterprises was established in March of 1964. As one of 20 Community Centered Boards which contracts with the state of Colorado, Colorado Bluesky provides services for people with developmental disabilities. CBE first began its work in an old former school building with only 12 students. CBE has grown to serve several thousand people. Currently, CBE dedicates time to working with the 750 citizens with developmental disabilities.

CBE provides numerous services and opportunities for the individuals who rely on its benefits. Through an array of day programs for people of all ages, job training, community participation, and OBRA day services for individuals in nursing homes, CBE strives to make a better life for the people of Pueblo.

Colorado Bluesky Enterprises provides personal care alternatives such as host home services, staffed personal care alternatives, and drop in supports. CBE also works to ensure affordable housing for families with low incomes.

I am grateful for the dedication and courageous efforts of Colorado Bluesky Enterprises, and I would like to congratulate them on 35 years of commitment to helping others. On behalf of all of those it has served, I would like to thank CBE and offer recognition of their dedication to the Pueblo community.

TAXPAYER’S DEFENSE ACT

HON. GEORGE W. GEKAS
OF PENNSYLVANIA
IN THE HOUSE OF REPRESENTATIVES
Thursday, July 29, 1999

Mr. GEKAS. Mr. Speaker, today I join with Mr. HAYWORTH to introduce the Taxpayer’s Defense Act. This bill simply provides that no federal agency may establish or raise a tax without the approval of Congress.

One of the principles on which the United States was founded was that there should be no taxation without representation.

In The Second Treatise of Government, John Locke said, “[I]f any one shall claim a power to lay and levy taxes on the people, without * * * consent of the people, he thereby * * subverts the end of government.” Consent, according to Locke, could only be given by all the people, either by themselves or their representatives chosen by them.” The Boston Tea Party celebrated Americans’ opposition to taxation without representation. And the Declaration of Independence listed, among the despicable acts of King George, his “imposing Taxes on us without our Consent.” First among the powers that the Constitution gave to the Congress, our new government’s representative branch, was the power to levy taxes.

The logic of having only Congress establish federal taxes is clear: only Congress considers and weighs every economic and social issue that rises to national importance. While any faction, agency, or sub-agency of the government may view its own priorities as paramount, only Congress can decide which goals are to be paid for with increasing taxpayer dollars. Only Congress can determine the level at which taxpayer dollars should be spent.

The American ban on taxation without representation has not been seriously challenged during our nation’s history. The modern era of restricted federal budgets, however, threatens to erode the essential principle of “no taxation without representation.” In ways that are often subtle or hidden, federal agencies are taking on—or receiving from Congress—the power to tax. Federal agency taxes pass the costs of government programs on to American consumers in the form of higher prices. These secret taxes tend to be deeply regressive and they create inefficiency in the economy. They tax money from everyone without helping anyone.

The worst example of administrative taxation is the Federal Communications Commission’s Universal Service Tax. “Universal service” is the idea that everyone should have access to affordable telecommunications services. It originated at the beginning of the century when the nation was still being strung with telephone wires. The Telecommunications Act of 1996 included provisions that allowed the FCC to extend universal service, ensuring that telecommunications are available to all areas of the country and to institutions that benefit the community, like schools, libraries, and rural health care facilities.

Most importantly, the Act gave the FCC the power to decide the level of “contributions”—taxes—that telecommunications providers would have to pay to support universal service. The FCC now determines how much can be collected in taxes to subsidize a variety of universal service spending programs. It charges telecommunications providers, who pass the costs on to consumers in the form of higher telephone bills. The FCC recently nearly doubled the tax to $2.5 billion dollars per year, and Clinton Administration budgets have projected a rise to $10 billion per year. Mr. Speaker, this administrative tax is already out of control.

The FCC’s provisions for universal service have many flaws. Among them are three “administrative corporations” set up by the FCC. The General Accounting Office determined that the establishment of these corporations was illegal and the FCC has collapsed them into one, no less illegal corporation. The head of one of these corporations was originally paid $200,000 dollars per year—as much as the President of the United States. Reports have come out about sweetheart deals between government contractors and their State government friends, who have access to huge amounts of easy universal service money.

This FCC prompted our inquiry into this issue. As our study continues, it reveals that a number of federal agencies have been given, or discovered on their own, the power to tax.

Congress has given taxing authority to the Nuclear Regulatory Commission and the U.S. Department of Agriculture. Because these taxes are within statutory parameters, we have less concern with them than others, but they are still taxes and an important principle is at stake: no taxation without representation. The Constitution gives the taxing power only to Congress. In practice, we see a direct correlation between an agency having taxing authority and the agency overextending taxpayer dollars. Congress must retain the power of the purse.

More egregious examples are those where agencies have spontaneously discovered the power to tax. We categorize the FCC’s telecommunications tax as such, and note two taxes, past and proposed, on Internet domain name registration. Mr. Speaker, just when we thought we had protected the internet from taxation with Internet Tax Freedom Act, we discover new taxes right under our noses. The first, sponsored by the National Science Foundation, collected more than $60 million before a federal judge put a stop to it. The second, under the aegis of the Commerce Department, proposes to charge $1 per Internet domain name per year. I would like to know what Commerce Department official stands to be voted out of office if he or she sponsors an increase in this tax.

Finally, we note with dismay that the Administration’s electricity legislation proposes a tax as high as $3 billion to be imposed by the Secretary of Energy. Federal agency taxation appears to be a popular trend in some circles. Washington special interest groups seem to be able to unite around one thing: taking money from taxpayers. Mr. Speaker, special interests who feed at the federal trough are already geared up to accuse the Republican Congress of cutting funding for education and health care if any attempt is made to rein in the FCC. They will cynically frame the issue as a matter of federal entitlements for sympathetic causes and groups.

But the most sympathetic group is the American taxpayer, whose money is being taken, laundered through the Washington bureaucracy, and returned (in dramatically reduced amounts) for purposes set by unelected Washington poohbahs. This is why we must require the FCC, and all agencies, to get the approval of Congress before setting future tax rates.

Should tax dollars be used for federal programs? In what amounts? Or should Americans spend what they earn on their own, locally determined priorities? Requiring Congress to review any administrative taxes would answer this question.