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Wyden Statement at Finance Committee Hearing on Business Tax Reform
As Prepared for Delivery

Before I get to the substance of today's hearing, I need to address what's coming down the pike in this committee and on the Senate floor. And nothing I'm about to say should take away from our friendship, Mr. Chairman, or the fact that we've been able to get some important work done over the last several weeks, particularly with respect to CHIP.

Last night the majority announced without consulting the minority that on Monday the Finance Committee will hold a hearing on the Cassidy-Graham-Heller health care proposal. I want to make clear that this is an abomination. It's an abomination of the process, it's an abomination of the substance, and it's an abomination of the history of this storied committee. First of all, this bill is a prescription for suffering and disastrous consequences for millions of Americans. Second, the CBO has informed the Congress that it'll be several weeks at the very least before it can provide full estimates for the bill. So this means the majority will be charging ahead with a radical, destructive transformation of our health care system with the American people still in the dark. This bill's going to be a few roll call votes away from the president's desk and Republicans will not have answers to the basic threshold questions: What'll happen to premiums? What'll happen to coverage?

The idea that a bill this destructive and far-reaching can swing through the Finance Committee for a single hearing on a Monday morning and hit the Senate floor a day or two later makes a mockery of the legislative process Senator McCain urged us to return to.

Furthermore, this abomination of a process stands in stark contrast to what this committee has been able to achieve with respect to the Children's Health Insurance Program. But unfortunately, just when this committee ought to be celebrating a big victory for the millions of kids who count on CHIP, the Cassidy-Graham-Heller proposal threatens the health care of millions of children and families.

Second point -- the reconciliation process relies on secrecy, speed and brute force to ram partisan bills through the Senate, and it's been an absolute trainwreck on health care. But Leader McConnell is committed to Reconciliation Round Two on tax reform. And that means another secretive, partisan bill coming together behind closed doors -- which leads me to a few points on the substance of today's hearing.

The details leaking out of the "Big Six" meetings paint a clear picture of an unprecedented tax giveaway for the most fortunate and biggest corporations. The centerpiece could very well be a 2 trillion dollar loophole having to do with what's called passthrough status.

Passthrough status is supposed to be about helping small businesses, and there's no question that small businesses -- who fuel local economies and hire the most workers -- need a boost in tax reform. But any tax change that allows tax cheats to abuse passthrough status by "self-declaring" to avoid paying their fair share and dodge Social Security taxes would be worse than what's on the books today. The day the passthrough loophole becomes law would be Christmas morning for tax cheats. It would make a mockery of the Trump pledge that, quote, "the rich will not be gaining at all with this plan." And that's just one element of what's on offer.

Bottom line, it's time for the Congress to take the lies out of the corporate tax rate in America. Many of the biggest corporations in the country employ armies of lawyers and accountants who know all the tax tricks.

They winnow their tax rates down to the low teens, single digits, even zero. So the Congress cannot pair a big corporate rate cut with a plan to enshrine a vast array of loopholes that let corporations off the hook for paying their fair share. That's a surefire way of heaping a heavier burden onto the middle class.

I hope the committee is able to take a close look at those issues today. As I mentioned, I'll be in and out this morning as I have an engagement with the Commerce Committee, but I look forward to returning for questions as soon as I'm able.

Chairman Hatch.

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