

GUEST OPINION

Haste makes waste in addressing economy

Legislation taxing AIG bonuses will be declared unconstitutional

By F. James Sensenbrenner

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For this one, the Democrats can't immediately resort to their favorite default statement of "it's President Bush's fault."

I voted against the AIG bonus tax legislation on Thursday, because while it may feel good, look good, and offer political cover to those who voted for the stimulus bill, the legislation will not work. It is only a matter of time before a court declares it unconstitutional based on the Fifth Amendment and the bill of attainder clause, which in short, states that you cannot confiscate an individual's property without a trial. To put it candidly, this means the bonus money won't be collected, the taxpayer money won't be returned, and to add insult to injury, taxpayers may even end up paying more money because of the likely litigation expenses that will result from this legislation.

The Democrats rushed the \$410 billion stimulus package through Congress – all in the name of "economic recovery" – while it was filled with many of the big government wish list items they've been salivating to implement for years.

The Democratic leaders shunned the Republicans proposed alternative stimulus bill, then launched their propaganda "Party of No" campaign despite our proposed alternative, and then went behind closed doors to write their own stimulus bill, leaving us in the cold.

The Democrats called for a vote on the bill in under 24 hours, giving no one an opportunity to read the 1,000-plus page spending bill before they voted.

Democrats Nancy Pelosi and President Obama both broke their promise of ensuring sunlight, transparency and a review of the legislation by having a five-day waiting period before signing any bill.

And now, Democrats are "outraged" to find the language they themselves wrote into the stimulus bill approving the AIG bonuses – IN the stimulus bill. Clearly, the language was placed there on purpose, and we're learning that it was done so at the request of the administration. I suspect in the days and weeks to come, we'll hear more about how this came to be. Americans will demand it. This administration promised accountability and the American people are not receiving it.

It was only earlier this month when the Obama administration said that they were "confident" in how the stimulus money was being spent. President Obama proclaimed that any mayors who were wasting the stimulus money and not creating jobs should be careful because he would "call them out." Yet, it's his own name and the names of those around him, such as Treasury Secretary Geithner, who he should be "calling out."

We all know the economy is suffering and that steps must be taken to make America prosperous again. However, in the interest of doing this – whether through tax cuts or preferred massive government spending – we absolutely cannot be making rash judgments or be hasty.

Haste makes waste, and there are no better examples of this than the contract language being included in the stimulus legislation AND this legislation that imposes an additional tax on the AIG bonuses.

The smarter and more effective way to recoup this bonus money would be for Secretary Geithner to petition the court to put AIG into receivership, which permits the court to void contracts that date back up to one year. I call upon Secretary Geithner to do this immediately, and hope the American people will call on him to do the same.

I have long upheld that the government bailout of failed institutions will only result in poorer decision making by those being bailed out. There are no quick fixes. Haste really does make waste, and in this case, let's hope we didn't waste \$165 million of hard-earned taxpayer money.