

payments". Even though it is illegal to employ unauthorized alien workers, the IRS has ruled that section 162(e) does not apply to the wages paid to those aliens, even if the employer knowingly broke the law. On January 3, 2017, Rep. Steve King and eight other members of Congress introduced H.R. 176, the New Illegal Deduction Elimination Act, Section 2 of which would amend section 162(e) to clarify that no deduction is allowed for wages paid to unauthorized alien workers. H.R. 176 provides employers a "safe harbor", allowing a deduction to employers that used the Department of Homeland Security's free, online E-Verify system to confirm the employee's eligibility to work.

The amount of wages paid to unauthorized alien workers cannot be known with certainty. One of the most extensive studies of unauthorized immigrants in the United States was conducted by the Pew Hispanic Center in 2009. According to that study, there were approximately 8.3 million undocumented immigrants in the U.S. labor force, a figure that Pew more recently estimated had fallen to 8.0 million. Pew estimated the median household income of unauthorized worker families to be approximately \$36,000 and that there were approximately 1.75 workers per household, implying median per-worker earnings of \$20,571. Multiplying Pew's estimated number of unauthorized alien workers by the earnings-per-worker estimate yields an estimated total of wages paid to unauthorized alien workers of approximately \$165 billion.

Many unauthorized workers are employed in the "underground economy", i.e., by households and other employers that are not reporting or paying payroll taxes and presumably are not deducting the wages. A 2013 report by the Social Security Administration estimated that, of approximately seven million alien workers in various irregular work statuses in 2010, approximately 3.1 million (44 percent) had Social Security numbers (mostly false or fraudulently secured), while approximately 3.9 million (56 percent) were working in the "underground economy." On the assumption that employers reported payroll taxes and claimed wage expense deductions only for the 44 percent of unauthorized workers who could produce an SSN, and that most employers deducted wages at or near the corporate tax rate of 35 percent, we estimate that disallowing a deduction for wages paid to unauthorized alien workers would increase federal tax revenues by approximately \$25.4 billion per year (35 percent x 44 percent x \$165 billion), or \$254 billion over 10 years.

2. Deny Refundable Tax Credits to Illegal Aliens. Section 24(a) of the Internal Revenue Code allows a \$1,000 per-child tax credit for taxpayer's whose earnings fall below a specified threshold. The Child Tax Credit is refundable to the extent it exceeds the taxpayer's tax liability, in which case it is referred to as the Additional Child Tax Credit or ACTC. A 2011 report by the U.S. Treasury Inspector General for Tax Administration explained that aliens authorized to work in the United States are required to obtain a Social Security number (SSN). For aliens who need to file U.S. federal tax returns for other reasons, such as to claim refunds of withholding tax on dividends, the IRS issues Individual Tax Identification Numbers (ITINs). Unfortunately, according to the inspector general, the IRS had been permitting aliens to claim ACTCs on returns that reported an ITIN rather than a Social Security number.

The payment of ACTCs to illegal aliens is arguably a direct violation of the Personal Responsibility and Work Opportunity Act of 1996 ("PRWOA"), which expressly provides that an illegal alien "is not eligible for any

Federal public benefit." The IRS has applied the PRWOA rule to prohibit payments of Earned Income Tax Credits to ITIN filers, but based on a questionable interpretation of the law has allowed ITIN filers refunds of ACTCs.

According to the Inspector General, "[b]ased on claims made in Processing Year 2010, disallowance of the ACTC to filers without a valid SSN would reduce Federal outlays by approximately \$8.4 billion over 2 years," i.e., \$4.2 billion per year. Although the inspector general's figures are based on 2010 fiscal data, Treasury Department tax expenditure estimates indicate that the total child tax credit expenditure was virtually unchanged between 2010 and 2017. Accordingly, based on the inspector general's report, we estimate that limiting the Child Tax Credit to taxpayers with Social Security numbers would increase federal tax revenues by approximately \$4.2 billion per year, or \$42 billion over 10 years.

Mr. KING of Iowa. The bulk of this article addresses my bill, H.R. 176, the New IDEA Act, the New Illegal Deduction Elimination Act. They go through the calculations here, and I will just touch on some of them.

This is data from a Harvard economist, George Borjas. It is his empirical research. He shows that the workers in America, because wages have been suppressed by an oversupply of unskilled and illegal laborers, that American workers are suffering somewhere between a \$99 billion and \$118 billion loss in annual wages because they haven't gotten a raise in a long time. Nobody gets a raise as long as there is cheaper labor there that keeps that down—no effective raise. So between \$99 billion and \$118 billion. That is the Harvard economist, George Borjas. That is the annual wages loss because of illegal immigration.

If we go to the next page on this, it lays out the conditions, and we are seeing this. This is a number from the Pew Hispanic Center in 2009. It says that there are 8.3 million undocumented immigrants in the U.S. labor force. They recently estimated that number is actually ratcheted down to about 8 million. It doesn't say why. But if they estimated the median household income of unauthorized worker families to be approximately \$36,000 at 1-3/4 average workers per household, that is roughly—let's see. It says, "implying median per-worker earnings of \$20,571," they estimated that the earnings-per-worker estimate yields \$165 billion a year. This is some of the magnitude of the money that is going out of our economy. Also, added to that, roughly \$60 billion is being wired out of America.

So those who say, "Well, we really need these illegal workers because they stimulate our economy, they grow our economy," they are siphoning this off. They are holding down the wages for the working people in America to the tune of \$100 billion or more a year. They are earning something like \$165 billion a year, and they are sending at least \$60 billion of that south of the border, about half to Mexico and the other half to Central America, South America, and the Caribbean.

So all of these are economic impacts.

But the CIS, the Center for Immigration Studies, drew this estimate that, should my bill, the New IDEA Act, H.R. 176, become law—and the perfect place for it is in this tax policy—they estimate that it would score at, the number would be, \$25.4 billion a year. If we do a 10-year estimate, that means a \$254 billion score, a quarter of \$1 trillion poured into our budget at a time that we are cutting taxes and we have a red ink tax policy—which I want to see passed, by the way. We have got some solutions here, and I want to see those solutions become law.

H.R. 176 is one of the unique tools that has been here for some time. It is thoroughly vetted. It has had a good number of cosponsors on it over the past years. I knew Barack Obama would never sign it, but Donald Trump will. It was on his website.

Early on, when he first launched his Presidency, the support for the New IDEA Act was on his immigration policy that was posted then. I haven't checked it now in quite some time, but I don't have any doubt that, if we send a tax bill to Donald Trump's desk with H.R. 176 in it, it will score better, to the tune of probably a quarter of \$1 trillion.

It will put an end to the illegal workforce in America, or at least an end to the deductibility of wages and benefits paid to illegals, and it brings together the Social Security Administration, Department of Homeland Security, and the IRS to exchange information so that, if there is a Social Security number that is overused, they need to tell the DHS and they need to tell the IRS. If the IRS comes up with employers that are hiring illegals—and they will—they need to tell the Department of Homeland Security so ICE can come in and enforce the law.

So each one of these agencies needs to cooperate with each other. This way, we open up jobs for American workers, and we give the American workers a raise.

Now, what could be better than giving the American workers a raise and giving the American workers a tax cut all at the same time, while we nearly guarantee an economic growth cycle for the next decade of an average of over 3 percent per quarter? We can do that. It is all sitting here in front of us. And my hope, my prayer, and my effort is that we can all work together to reach all of those goals.

Madam Speaker, I yield back the balance of my time.

ISSUES OF THE DAY

The SPEAKER pro tempore. Under the Speaker's announced policy of January 3, 2017, the Chair recognizes the gentleman from Texas (Mr. GOHMERT) for 30 minutes.

Mr. GOHMERT. Madam Speaker, it is certainly an honor and pleasure to follow my dear friend from Iowa with whom I got to share a little time last

weekend, be out in God's nature and just enjoy the best Iowa has to offer, and STEVE KING is one of those best things.

Well, we have heard a great deal about the New York terrorist, although I believe Governor Cuomo told us there are no terrorist ties initially, before he had any time to know anything, really. But that seems to be kind of the way most mayors where these terrorist attacks occur respond. They immediately declare, "This is not terrorist. No terrorist ties." And then, lo and behold, we find out, eventually, there certainly are.

One of the problems that has been created during the last 8 years and a little bit during the last part of the Bush administration is the development discussion of countering violent extremism. But I do want to touch on something about the diversity visa lottery program.

My first year in Congress, in 2005, we eliminated the diversity visa lottery program—at least voted in the House to eliminate it—but the Senate would not take it up, wouldn't take it up. We had a Republican majority in the House and Senate, and the Senate wouldn't take it up.

Then, in November of 2006, we lost the majority in both Houses. And, of course, the Democratic majority in both Houses loved the diversity visa lottery program. In fact, I have a floor speech from Senator CHUCK SCHUMER where he extols the virtues of the diversity visa lottery program. Here are some highlights.

Senator SCHUMER said—this is May 24, 2006: "As a Member of the House, I helped create this program, which my colleague, Senator Kennedy, created in the Senate in 1990."

He said: "In fact, my city of New York has dramatically benefited from this program, and diverse countries such as Ireland, Poland, and Nigeria have had large numbers of immigrants to be able to come, set roots, and help the diversity of New York and of America."

"So this is an excellent program. Nobody has said it has done a bad job."

Those were his comments in 2006.

Well, I am here to say it has done a bad job. So now nobody can say that nobody has said it has done a bad job, because I am saying it has done a bad job.

No matter how noble the original idea was, you should never trust the country's security to a lottery. That is insanity.

Of course, in a speech back in 2006, then Congressman SCHUMER, now Senator SCHUMER, said—or, actually, he was a Senator in 2006. But Senator SCHUMER said: "I think America should admit many more of those people but not at the expense of this small, successful program that guarantees that other countries, such as the Irelands, the Polands, and the Nigerias that are unable to have immigrants come in for family reasons, can get people to come into this country."

Senator SCHUMER also said, about the diversity visa lottery program: "But one of the things great about America is, again, we allow people from all over the world to come here."

"So I plead with my colleagues, keep the diversity visa program."

He said: "As I ride my bike around New York City on the weekends, I see what immigrants do for America. This program has dramatically helped. Neighborhoods such as Woodlawn and Greenpoint have been revitalized by new Irish and Polish immigrants. Neighborhoods such as East Flatbush and Harlem have been revitalized by West African immigrants. We don't have to stop this program."

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Well, again, it is insanity to trust our national security to a lottery, and that is what the diversity visa lottery program does.

We have had terrorists, and we have known it for a number of years, that have been getting their names into the lottery so that hopefully they would win the lottery and come to America to kill Americans.

I understand that there was a stepped-up effort in the last couple of years to vet people a little better, but the trouble here is, as then-Director Comey of the FBI testified before our Judiciary Committee, we have got nothing to vet these people against, so many of them, from Syria, from Yemen.

He said in Iraq, we had all of the government records. It turns out, even with all the government records, they let in two terrorists. We had fingerprints of theirs on IEDs that killed Americans, and they let them in, and eventually realized they had made a mistake. So they said we are going to step up our vetting after they realized they had admitted known terrorists into the United States that created IEDs to kill and maim Americans.

They could say we were stepping up the vetting program, but when there is no information—this is what Comey said. With Iraq, we had the government records, we had fingerprints, we took fingerprints off IEDs.

Syria, Yemen, we have got nothing. The government there doesn't give us their records. We have nothing to work from. In Syria, for a while, ISIS had taken over one of the printing facilities where they could print the passports. So we had no information to work from. We didn't know what was true and what wasn't.

So, once again, we were trusting our national security and the lives of Americans to a fatal game of Russian roulette, but it was from the Middle East, it was from Uzbekistan, it was from places where people have been radicalized.

I have got the numbers here. In fact, let's see, diversity visa program statistics, as I understand, the New York terrorist, the ISIS supporter who killed eight people, wounded so many others,

in 2011, we had 5,091 from Uzbekistan. There were none from Poland, and in the top ten, there were certainly none from Ireland.

We had, in 2012, 4,800 from Uzbekistan; and even better news, we had 4,453 from Iran. For those who are not keeping track, the Iranian Government has not given us information that we can count on about people in Iran who want to come to America, and we know Iran is the largest national supporter of terrorism in the world. So we don't have much of anything to vet these people on, but, you know, Senator SCHUMER said it is a great program, and nobody said anything against it as he rides his bicycle around.

Well, fortunately he wasn't riding his bicycle around in front of the terrorist that was allowed in on the program he thinks was so grand. And, frankly, I am grateful he was not on his bicycle in front of that terrorist killer that his program let in.

In 2013, Uzbekistan, we had 5,101 come in from Uzbekistan. We did have 2,038 come from Poland that year.

In 2014, another 6,027 that we could not adequately vet coming from Iran. Some of them we could with relatives, but many of those people simply could not be vetted. We don't know if they were sent here by the Iranian Government to kill Americans or not.

In 2015, we have another 4,992 from Iran; Uzbekistan, we had another 4,368.

So we don't have the numbers from 2016 yet, unfortunately, but hopefully that gives some idea of what we are dealing with.

We also need to understand that government officials tell us: You know, we had no indication this guy was a terrorist.

There were even people from the government, the Feds, who were saying: Gee, you know, this was not a known person.

This New York terrorist, not a known person to the Federal authorities.

Well, it turns out, in 2015, they interviewed him. He had terrorist ties.

The thing people need to understand is—and I have been saying this for years, I have grilled Director Mueller on this issue. I was contacted by one media outlet that says: Why are you just bringing this up now about the purge of training materials?

My goodness. I have been talking about this for years, I have been made fun of about this for years, but I have been right about it for years, Michele Bachmann and I.

It should not have been classified what they took out of the FBI materials, but they classified it so we couldn't show America how stupid some of their purging was, how senseless, how, as some of our agents told me, we are blinding ourselves of the ability to see our enemy.

So I grilled Mueller some years ago over the fact that they got a heads-up twice that the older Tsarnaev brother was radicalized, he was a terrorist, he

was a threat to American lives. They didn't do anything; the CIA didn't do anything.

The FBI finally sends some agents out. They interviewed the older Tsarnaev, but they didn't know what to ask. They don't know what the signs are of someone who is radicalized, because they have had beat down their throats for so long, and this was the Obama administration, they had the FBI's Guiding Principles document on training. And this was the document that the FBI used to say: Oh, no. We have got to be politically correct. We can't teach people about how to find and spot a radical Islamist.

So there was a purge of FBI training materials.

There is a fantastic Judicial Watch special report, it can be found on their website, dated December 5 of 2013, "U.S. Government Purges of Law Enforcement Training Material Deemed 'Offensive' to Muslims."

Who was complaining? Well, the Council on American-Islamic Relations, the Islamic Society of North America, and they just happened to have known contacts who were named as coconspirators supporting terrorism in the Holy Land Foundation prosecution.

What did Mueller's FBI do under Mueller's specific direction? They created an outreach program. They called them their community outreach partner for these people who judges said: No. There is plenty of evidence to show that these people have ties supporting terrorism. No. We are not going to eliminate their names.

The Dallas Federal Court said that; the Fifth Circuit Court of Appeals in New Orleans said that. It didn't make it to the Supreme Court, but two courts said: Yeah, there is plenty of evidence to see there are plenty of ties here, evidence of their ties to known terrorists.

So it wasn't until 2008, after years of having this evidence, that Director Mueller sent kind of an apologetic letter to CAIR, Council on American-Islamic Relations, saying: You know, we better suspend our community partnership for a while.

It is just unbelievable, but it was the political correctness during the Obama administration that has gotten people killed, because they purged our training material. And God bless Ken Jensen, FBI agent. He had prepared the 700-page training materials that Mueller ordered destroyed.

Somebody needed to study that material before they went out and talked to Tsarnaev. If they had, they would have recognized this guy has probably radicalized, and we better be on the alert. They could have saved lives at the Boston Marathon if Mueller had not prevented them from knowing how to do their job. And he is special counsel.

By the way, Madam Speaker, the former Director of the FBI who blinded

the FBI of their ability to see terrorists, why do we think he came out with the indictments exactly when he did? Well, I can tell you why, because he is as easy to read as anybody in the world. He came out with those indictments when he did because he had people starting to call for his resignation, starting to demand that he be removed, demanding that he recuse himself. Even *The Wall Street Journal*, that has been very sympathetic, they pointed out it was time for him to go. What did he do? He immediately comes out with indictments to show: No, no, no. You can't demand that I go. I am too relevant.

You look at those indictments, and I am for punishing anybody who has committed a crime, but there was no need for a special counsel to come up with what he did. The FBI could have done that. The Department of Justice could have done that. We didn't need Mueller and 20 lawyers, all of these Hillary Clinton sycophants, in there to come up with this. The DOJ could have done this. It was just a ridiculous couple of indictments to be spending all these millions of dollars for.

We also know that same kind of conduct occurred when Comey came to the Hill and testified there is no trace of evidence of collusion between President Trump and the Russians.

Well, Mueller had to be puckering up, because he knew: Uh-oh. Now there is testimony from the FBI Director that there is no basis for me to be special counsel and to have hired all these people. Wow. So the President could be in line to fire me, because now we have testimony from the FBI Director there is no basis for this investigation. Shut her down.

So that night, they leak out he is investigating President Trump for obstruction of justice. Excuse me? We all know what that so-called evidence was. They will never, ever get a conviction, because it was not obstruction of justice.

Obstruction of justice is when you do what Comey and Loretta Lynch did to prevent a proper investigation, and you make an agreement with potential defendants that if they will just give you their laptops and let you look at them, you will destroy all that you find, and you will never use any of that information to prosecute them, and you give them immunity from prosecution. That is not what you do if you are going to prosecute a case. No.

You get them in a bind and then you tell them: Here are the charges you are looking at unless you come clean and identify the person above you with whom you were working and what they did.

Then you work up the chain to the big fish, which is how organized criminal organizations have been prosecuted over the years. It would work in this case, but Director Comey was so busy figuring out how to explain how Hillary Clinton should not be prosecuted,

though the evidence was basically for a slam dunk case of conviction, that he overlooked properly pursuing the case.

We don't need Director Mueller. We need him gone, and we need a special prosecutor to get into this, clearly, since Jeff Sessions recused himself on anything involving Hillary Clinton and Russia. And we can't have Rod Rosenstein, for heaven's sake, now that we know that he and Mueller should not be involved in this special counsel situation, because they both were engaged in the coverup of the initial Russian investigation that revealed Russia was trying to corner the market on uranium, and they had to seal that, because if they hadn't sealed that and covered up that evidence and that investigation, then Hillary Clinton would not have been able to hit the Russian megamillions lottery by authorizing the sale of uranium to Uranium One that ends up in Russian hands.

Bill Clinton wouldn't have gotten \$500,000. He didn't hit the megamillions, except for the 145 or so that went into the Clinton Foundation.

Mueller cannot possibly investigate this. He is in it up to his eyeballs, and so is Rosenstein. They both ought to do the decent thing. I know it is not characteristic, but they ought to do the decent thing and resign and let somebody that is not completely submerged in the original coverup investigate this whole matter.

Madam Speaker, I yield back the balance of my time.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. ADERHOLT (at the request of Mr. MCCARTHY) for today on account of attending a funeral for a former Member of the House.

Ms. JACKSON LEE (at the request of Ms. PELOSI) for today on account of conducting representational activities in her congressional district.

ENROLLED BILL SIGNED

Karen L. Haas, Clerk of the House, reported and found truly enrolled a bill of the House of the following title, which was thereupon signed by the Speaker:

H.R. 304. An act to amend the Controlled Substances Act with regard to the provision of emergency medical services.

ADJOURNMENT

Mr. GOHMERT. Madam Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 1 o'clock and 31 minutes p.m.), under its previous order, the House adjourned until Monday, November 6, 2017, at noon for morning-hour debate.