WASHINGTON, D.C., May 20, 2010—Congressman Dave Camp (R-MI) spoke at the Franklin Center for Global Policy and Exchange's third 2010 "Benevolus Series" policy discussion on Thursday, May 20, 2010, in the Longworth House Office Building. Previous discussions have been held with Congressman John Larson (D-CT) and Congressman Rush Holt (D-NJ).

The Congressman has represented the 4th district of Michigan since 1990 and is currently serving as the Ranking Member on the Ways and Means Committee, one of the most powerful and historic committees in the U.S. House of Representatives.

Rep. Camp began the session discussing the tax extenders bill and small business tax credits. The extenders bill, he said, will not go to committee and will be immediately debated on the floor, but in his view is difficult to support because of the extensive emergency spending for issues he doesn't see as emergencies. Later in the session, the Congressman did project that the 2001 and 2003 tax cuts would be extended but limited to those earning less than $250,000 per year. This would result in a tax increase on over half of U.S. small businesses, depending on their organization.

The Congressman next expressed his frustration with how difficult and tedious it will be for small businesses to reap the benefits of tax credits in the recently-passed health care bill. One credit in particular would be phased out for companies with more than ten employees, for example. He said the Ways and Means Committee Republican staff would be releasing an analysis of the process which would illustrate the limited benefits, suggesting most small businesses would not have the time or the expertise necessary to apply for the credits. "What business with fewer than ten employees is going to do that calculation?" he asked rhetorically.

After noting that the tax extenders bill failed to address trade tariffs, the conversation then shifted to trade. According to the Congressman, the U.S. is falling behind in trade agreements. "We've lost huge market share to Brazil and Argentina on grain and dairy because we're not doing anything," he said. He also pointed to Canada's new trade pact with Panama as evidence that other countries are surpassing the U.S. He was concerned that the U.S. might be "left in the dark." He thinks proponents of trade need to speak about the whole issue differently, and show how trade agreements benefit workers and companies in individual congressional districts. When Members of Congress see this value, he said, they are generally more supportive of a certain trade agreement.

Congressman Camp was also very concerned about the growing budget deficit in the U.S. and believes it has gotten out of control. He projected that Congress would not pass a budget resolution and if that were to occur, it would be the first time since 1974 that Congress did not pass a budget. "This is an odd year," he said. The National Commission on Fiscal Responsibility and Reform (also referred to as the "debt commission") was almost designed to fail he said, since Democrat-selected appointees outnumbered Republican ones by two to one. Moreover, he was surprised that President Obama suggested that the commission would also be responsible for recommendations on tax simplification and reform.

This commission could provide political cover for a move toward a value-added tax (VAT), which Congressman Camp opposes strongly, especially since a VAT might be added on to the existing tax structure rather than replace parts of it. He said the tax to GDP ratio is the highest in the history of the nation, and raising tax levels beyond where they are today would severely hurt the economy and job creation.

Returning to concerns about the deficit, Congressman Camp said primary elections in Pennsylvania, Kentucky and Arkansas (where the establishment candidate either lost or was heavily weakened) illustrated the anti-incumbent mood in the electorate. He attributed a large part of voter enthusiasm to frustration over spending and the growth of government.