

## 2018 GLI Congressional Candidate Survey

### Liz Watson (D)

**Tax Reform:** In July of this year, the Committee on Ways and Means in the U.S. House released a [framework](#) for the next round of federal tax reform. As a member of the 116th Congress, what would be your top priorities for changes to the federal tax code?

- *My top priorities for reforming the federal tax code are clear: reduce the tax burden on working families and small businesses, and make sure that the super-rich and Fortune 500 corporations pay their fair share. This is the only way to create economic growth that benefits everyone in our community. To that end, I would support an expansion of the Earned Income Tax Credit, the Low-Income Housing Tax Credit, and the Child and Dependent Tax Credit. But I do not support a permanent and drastic cut in the corporate tax rate, or the permanent components of the GOP tax plan that have already raised taxes on middle-class Americans. Those components include the switch to a slower inflation adjustment, and the repeal of the Affordable Care Act individual mandate's health insurance tax credits. The new framework from the House Committee on Ways and Means won't fix these problems: according to the Institute on Taxation and Economic Policy, 71 percent of the framework's benefits will go to the richest one-fifth of Americans. By contrast, we should be closing loopholes in our tax code that allow multinational corporations to avoid paying taxes and skirt the interest deduction limit by offshoring profits or debt, respectively. These unfair advantages stifle competition from small business, and ultimately render our whole economy less innovative and less equal.*

**International Trade:** In general, do you support or oppose the new tariffs imposed by the Trump administration?

- *The goal of our country's trade policy should be international trade that is free and open, but also fair. A global market in which some players cheat, as China has repeatedly been shown to do through currency manipulation and steel dumping, is neither free nor fair. Tariffs are a legitimate tool to respond to such abuses. But I do not believe that the solution to this problem is to impose tariffs unilaterally on allies and enemies alike, without regard for their second-order effects on businesses here at home. A globalized*

*economy requires global solutions to bad actors. We should be working with our allies to coordinate targeted tariffs that respond to specific trade violations, while protecting American industry and access to markets. That is, in general, a different approach to the one that the present administration has taken.*

**Immigration:** Would you support or oppose legislation authorizing DACA recipients and DACA-eligible individuals to permanently and legally live and work in the United States? Why or why not?

- *Like 81 percent of Americans, I believe that law-abiding people who were brought to this country as children should be given a chance to make lives for themselves in America. We have 15,000 DREAMers working in Indiana, and deporting them would cost this state more than half a billion dollars per year. That's not only cruel to folks who are trying to provide for their families; it's also a way of shooting our state and regional economy in the foot. The solution is clear: we need to pass a clean DREAM Act, so that DACA recipients can retain conditional permanent residency for eight years, followed by legal permanent residency if they complete higher education, military service, or employment requirements. Regularizing DACA-eligible individuals' status would add more than 170 million dollars per year to our economy, all without compromising our American values by hunting down millions of people who never chose to break our laws.*

**Infrastructure:** Do you support increasing the federal motor vehicle fuel user fee, or gas tax, as a means to increase funding for infrastructure projects in the United States?

- *We absolutely do need to expand federal investment in our infrastructure – including regional airports, inland water infrastructure, and rural broadband. That investment is essential both to allowing our local businesses to reach their full potential, and to providing good-paying jobs for Hoosiers across our region. But I do not believe that we should increase the federal gas tax to pay for infrastructure reinvestment; in a substantially rural district like this one, driving is non-negotiable for most people, and the gas tax is therefore a regressive duty on an unavoidable expense for low-income workers. Infrastructure renovation should be paid through a larger reform of our tax system, preferably by finally imposing taxes on a portion of US multinationals' offshored profits.*

**Healthcare:** Do you support the repeal of the Affordable Care Act? If so, what would you want to replace it with? If not, what changes would you seek to make to the ACA?

- *I do not support the repeal of the Affordable Care Act, a piece of legislation that gave twenty million Americans access to health care. It ensured that insurance companies could not deny coverage to fifty million Americans with preexisting conditions like acne, pregnancy, and anxiety. And according to the Congressional Budget Office, it even saved the federal government money. Repealing the ACA now would cost 18,000 Hoosier jobs and take health care away from a quarter of a million Indiana residents, including 4,700*

veterans. Instead, I would be a vote to pass the Alexander-Murray bill funding cost-sharing reductions subsidies, a central component of the ACA's price-control system for premiums. I would push Congress to stop the sale of junk insurance plans – plans that do not meet ACA standards and that undermine risk-sharing across the market, driving up costs for everyone. And I would fight to protect and gradually expand Medicare, to reduce the strain on providers and employers who have to cover workers with aging family members or young children.

**Environment:** Do you support or oppose the Trump administration's Affordable Clean Energy Rule and what role do you think Congress should play in regulating greenhouse gas emissions?

- *I oppose the Affordable Clean Energy Rule, for the simple reason that it is neither affordable nor clean. It's not affordable because natural gas, wind energy, and solar power are cheap and getting cheaper, and this rule blatantly distorts the market by propping up struggling coal plants. The cost of that distortion will be passed on to consumers. Worse, the EPA itself admits that this rule will cause up to 1,400 premature deaths per year by 2030 – a human cost that is not affordable by any reasonable definition. And it's not clean because, once again, the EPA itself admits that this rule will increase greenhouse gas emissions. I believe that Congress should act to regulate emissions in a predictable, consistent, and evenhanded way, ideally by passing a carbon tax that will create market incentives for businesses to phase out high-carbon fuels. With that one consistent incentive, I have total confidence that our innovative local business leaders will be able to find the most efficient ways to move toward a clean-energy future.*

**Net Neutrality:** Should Congress pass a comprehensive net neutrality bill or should oversight of the internet be left to the FCC and the states? If you support passage of comprehensive legislation by Congress, what measures would you like to see in a net neutrality bill?

- *The FCC has conclusively shown that it is neither willing nor able to provide evenhanded, consistent, predictable access to a free and open internet for all users. That's bad for businesses, citizens, and ultimately our democracy. I believe that Congress has an urgent responsibility to pass a comprehensive net neutrality bill, to ensure that internet service providers do not block or throttle some traffic while smoothing the way for clients who can pay. In the twenty-first century, a free market and a free society require a free internet: neutral, transparent, and secured by privacy protections. If the FCC won't make that a reality, then Congress must.*

**Banking:** Do you agree or disagree with the changes made to Dodd-Frank by the Economic Growth, Regulatory Relief, and Consumer Protection Act passed by Congress in May 2018?

- *I am acutely aware of the need for flexibility, competition, and innovation in the financial sector. And I realize that Dodd-Frank's \$50 billion threshold for systemic risk regulation may have been unnecessarily low. But the Economic Growth, Regulatory Relief, and*

*Consumer Protection Act moved the needle too far in the opposite direction. It removed systemic risk regulation on 25 banks that hold roughly one-sixth of the assets of the entire banking sector – including some of the least transparent and most risky banks on the planet, like Credit Suisse. We need to ensure that the regulatory burden placed on a bank is proportionate to the risk it poses to the economy as a whole if it melts down. These changes do not achieve that, and so I believe there is more work to be done in developing a robust and pro-growth system of risk regulations.*