

STATEMENT OF FINANCIAL DISCLOSURE

HON. F. JAMES SENSENBRENNER, JR.

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 20, 1999

Mr. SENSENBRENNER. Mr. Speaker, through the following statement, I am making my financial net worth as of March 31, 1999,

a matter of public record. I have filed similar statements for each of the nineteen preceding years I have served in the Congress.

ASSETS

REAL PROPERTY

Single family residence at 609 Ft. Williams Parkway, City of Alexandria, Virginia, at assessed valuation. (Assessed at 600,000). Ratio of assessed to market value: 100% (Encumbered): \$601,300.00.

Condominium at N76 W14726 North Point Drive, Village of Menomonee Falls, Waukesha County, Wisconsin, at assessor's estimated market value. (Unencumbered): 90,600.00.

Undivided 25/44ths interest in single family residence at N52 W32654 Maple Lane, Village of Chenequa, Waukesha County, Wisconsin, at 25/44ths of assessor's estimated market value of \$675,200: 383,636.36.

Total real property: \$1,075,536.36.

COMMON AND PREFERRED STOCK

	No. of shares	Dollar value per share	Value
Abbott Laboratories, Inc.	12200	\$46.81	\$571,112.50
Airtouch Communications	148	96.63	14,300.50
Allstate Corporation	370	37.06	13,713.13
American Telephone & Telegraph	572,722	79.81	45,710.37
Ameritech	817.75	57.63	47,122.84
Bank One Corp.	3439	55.06	189,359.94
Bell Atlantic Corp.	1017,129	51.69	52,572.86
Bell South Corp.	1214,1252	40.06	48,640.89
Benton County Mining Company	333	0.00	0.00
BP Amoco	1802	101.00	182,002.00
Chenequa Country Club Realty Co	1	0.00	0.00
Cognizant Corp.	2500	57.38	143,437.50
Darden Restaurants, Inc.	1440	20.63	29,700.00
Dunn & Bradstreet, Inc.	2500	35.63	89,062.50
E.I. DuPont de Nemours Corp.	1200	58.06	69,675.00
Eastman Chemical Co	270	42.06	11,356.88
Eastman Kodak	1080	63.88	68,985.00
El Paso Energy	150	32.69	4,903.13
Exxon Corp.	4864	70.56	343,216.00
Firstar Corp.	1030	89.50	92,185.00
General Electric Co	5200	110.63	575,250.00
General Mills, Inc.	1440	75.56	108,810.00
General Motors Corp.	304	87.00	26,448.00
Halliburton Company	2000	38.50	77,000.00
Highlands Insurance Group, Inc.	100	10.56	1,056.25
Imation Corp.	99	16.50	1,633.50
IMS Health	5000	33.13	165,650.00
Kellogg Corp.	3200	33.81	108,200.00
Kimberly-Clark Corp.	31418	47.94	1,506,100.38
Lucent Technologies	348	108.00	37,584.00
Media One	255	63.81	16,272.19
Merck & Co., Inc.	34078	80.13	2,730,499.75
Minnesota Mining & Manufacturing	1000	70.75	70,750.00
Monsanto Corporation	8360	45.94	384,037.50
Morgan Stanley/Dean Whittier	156	99.94	14,590.25
NCR Corp.	68	50.00	3,400.00
Newell Corp.	1676	47.50	79,610.00
Newport News Shipbuilding	164,261	31.69	5,205.02
Nielsen Media	833	24.69	20,564.69
Ogden Corp.	910	24.06	21,896.88
PG&E Corp.	175	31.06	5,435.94
Raytheon Co	19	57.75	1,097.25
Reliant Energy	300	26.06	7,818.75
RR Donnelly Corp.	500	32.19	16,093.75
Sandusky Voting Trust	26	87.00	2,262.00
SBC Communications	1028,98	47.19	48,554.99
Sears Roebuck & Co	200	45.19	9,037.50
Solutia	1672	17.38	29,051.00
Tenneco Corp	864,978	27.94	24,165.32
U.S. West, Inc.	315,623	55.06	17,378.99
Unisys, Inc. Preferred	100	51.88	5,187.50
Warner Lambert Co	6804	66.25	450,765.00
Wisconsin Energy Corp	1022	26.06	26,635.88
Total common and preferred stocks and bonds			8,030,685.29

LIFE INSURANCE POLICIES

	Face value	Surrender value
Northwestern Mutual #XXXXXX	\$12,000.00	\$40,531.58
Northwestern Mutual #XXXXXX	30,000.00	97,104.33
Massachusetts Mutual #XXXXXX	100,000.00	7,476.95
Massachusetts Mutual #XXXXXX	100,000.00	168,011.88
Old Line Life Ins. #XXXXXXXXXX	175,000.00	32,226.01
Total life insurance policies		345,305.75

BANK & SAVINGS AND LOAN ACCOUNTS

	Balance
Bank One, Milwaukee, N.A. checking account	\$10,432.36
Bank One, Milwaukee, N.A. preferred savings	23,054.13
Bank One, Milwaukee, N.A. regular savings	807.40
M&L Lake Country Bank, Hartland, WI, checking account	3,192.18
M&L Lake Country Bank, Hartland, WI, savings	342.93
Burke & Herbert Bank, Alexandria, VA, checking account	1,749.37
Firstar, FSB, Butler, WI, IRA accounts	68,699.09
Total bank and savings and loan accounts	\$108,277.46

MISCELLANEOUS

	Value
1994 Cadillac Deville	\$14,775.00

MISCELLANEOUS—Continued

	Value
1991 Buick Century automobile—blue book retail value	4,750.00
Office furniture & equipment (estimated)	1,000.00
Furniture, clothing & personal property (estimated)	150,000.00
Stamp collection (estimated)	52,000.00
Interest in Wisconsin retirement fund	212,054.00
Deposits in Congressional Retirement Fund	117,730.26
Deposits in Federal Thrift Savings Plan	109,326.92
Traveller's checks	7,418.96
20 ft. Manitou pontoon boat & 35 hp Force outboard motor (estimated)	45,000.00
17 ft. Boston Whaler boat & 70 hp Johnson outboard motor (estimated)	7,000.00
Total Miscellaneous:	721,055.00
Total assets:	10,280,094.06

LIABILITIES

Nations Bank Mortgage Company, Louisville, KY on Alexandria, VA residence Loan #XXXXXXXX: \$86,936.33.  
Miscellaneous charge accounts (estimated): \$0.00.  
Total liabilities: \$86,936.33.  
Net worth: \$10,193,968.06.

STATEMENT OF 1998 TAXES PAID

Federal income tax \$108,494.00.

Wisconsin income tax, \$24,027.00.

Menomonee Falls, WI property tax \$2,140.00.

Chenequa, WI property tax, \$15,036.00.

Alexandria, VA property tax, \$6,820.00.

I further declare that I am trustee of a trust established under the will of my late father, Frank James Sensenbrenner, Sr., for the benefit of my sister, Margaret A. Sensenbrenner, and of my two sons, F. James Sensenbrenner III, and Robert Alan Sensenbrenner. I am further the direct beneficiary of two trusts, but have no control over the assets of either trust. My wife, Cheryl Warren Sensenbrenner, and I are trustees of separate trusts established for the benefit of each son under the Uniform Gift to Minors Act. Also, I am neither an officer nor a director of any corporation organized under the laws of the State of Wisconsin or of any other state or foreign country.

F. JAMES SENSENBRENNER, JR.,  
Member of Congress.

BRACKET CREEP OVERBURDENS  
NATIONAL LABOR RELATIONS  
BOARD**HON. ERNEST J. ISTOOK, JR.**

OF OKLAHOMA

IN THE HOUSE OF REPRESENTATIVES

*Thursday, May 20, 1999*

Mr. ISTOOK. Mr. Speaker, I rise today to urge my colleagues to cosponsor H.R. 1620, a bill to free the National Labor Relations Board from being overburdened because bracket creep that has forced them to accept cases from very small employers in this nation. Here is a copy of my "Dear Colleague" and a report from the Labor Policy Association that outlines the problem and why it is important to small businesses in America to correct this problem.

U.S. CONGRESS,  
Washington, DC.FREE THE NATIONAL LABOR RELATIONS BOARD  
(NLRB): HELP REDUCE UNNECESSARY BURDEN  
ON SMALL BUSINESS

DEAR COLLEAGUE: This Congress, Mr. Istook is introducing legislation to help the NLRB manage their huge caseload. Each year the NLRB requests additional funding to help them administer and manage their caseload. This legislative reform simply makes adjustments for inflation in the financial jurisdictional thresholds of the NLRB, most of which were set in 1959. The NLRB can still adjudicate special cases below these thresholds, just as they can do today. It is crucial that we provide the NLRB with this freedom. We urge you to cosponsor this bill. Two former NLRB Chairs support this change.

The National Labor Relations Board (NLRB) is the government agency designed to settle labor disputes between unions and management. In 1959, Congress passed a law to give NLRB jurisdiction over businesses based on gross receipts. Once a business passes that threshold of gross receipts, it is subject to intervention by the NLRB. Businesses below the threshold are subject to actions brought in state courts, instead of the NLRB.

Without an adjustment for inflation, businesses and the NLRB have been caught in "bracket creep," as inflation has increased since 1959, the NLRB has acquired jurisdiction over much smaller businesses than was ever intended, escalating the expense and workload for the NLRB as well as for business. These now include very small businesses, for whom the cost of such intervention is unbearable. Up to 20% of the NLRB's workload now is these very small businesses. For example, NLRB has jurisdiction over non-retail businesses with gross receipts over \$50,000, an inflation adjustment would raise that threshold to \$275,773. NLRB has jurisdiction over retail business and restaurants doing more than \$500,000 worth of business, but adjusting for inflation since 1959 would raise this to \$2.7 million. Congress never intended to subject small businesses to such a have regulatory hammer.

The NLRB is powerless to change its jurisdiction without an act of Congress. So this legislation will do exactly that. By indexing the jurisdiction to the rate of inflation, the NLRB could again focus upon the larger businesses for whom the law was originally written. Small businesses have been severely burdened by dealing with the far-off NLRB instead of their local state courts (Examples on Reverse).

This bill's simple adjustment both frees NLRB deal with significant cases truly af-

fecting interstate commerce, and also removes the problems very small business have with NLRB oversight (See Example on the Reverse). If you have any questions, please call Mr. Istook's office and speak with Dr. Bill Duncan at (202) 225-2182.

Tom DeLay, House Majority Whip; Bill Young, Chairman, Appropriations Committee; John Boehner, Chairman, Employer/Employee Relations Subcommittee; John Porter, Chairman, Labor, HHS, Education Subcommittee; Jim Talent, Chairman, Small Business Committee; Henry Bonilla, Member, Appropriations Committee; Ernest Istook, Member, Appropriations Committee; Dan Miller, Member, Appropriations Committee; Jay Dickey, Member, Appropriations Committee; Roger Wicker, Member, Appropriations Committee; Anne Northup, Member, Appropriations Committee; Randy "Duke" Cunningham, Member, Appropriations Committee; John Hostettler; Chris Cannon.

## EXAMPLES OF SMALL BUSINESS NLRB CASES

Larry Burns, of Houston, Texas, (8 employees), had 2 charges filed against his business by the NLRB. One was thrown out, the other settled for \$160 (1 days pay). Larry Burns spent \$11,000 in attorneys fees and wasted time fighting the NLRB when these problems could have been solved cheaper and easier in state courts. Also, Mr. Burns, under state law, could have recovered 1/2 of his attorney's fees under loser pays (which helps eliminate frivolous charges).

Randall Borman, of Evansville, Indiana (4 employees). Three charges were filed with the NLRB. All were dismissed. He could have recovered all of his legal fees under Indiana state law. Instead he lost \$7,500 in attorney's fees and lost revenue and had to lay off workers to cover this expense.

EXAMPLES OF DELAYS IN PROCESSING NLRB  
CASES

Julian Burns, of Charlotte, North Carolina, (23 employees). His case should be heard by the NLRB. However, the NLRB's workload is so overloaded with cases from very small businesses that it took 2 1/2 years to hear his case. Rather than getting his day in court, he settled for \$10,000 after paying \$35,000 in attorney's fees, and \$250,000 for losses in manpower and reduced workforce, for a total cost of \$295,000.

ACHIEVING NLRB BUDGET SAVINGS BY  
UPDATING SMALL BUSINESS THRESHOLDS<sup>1</sup>

The National Labor Relations Board (NLRB or Board) exercises exclusive jurisdiction over all labor disputes that are considered to be of significant national interest. The Board, itself, has set the standards for determining which labor disputes reach this threshold. Unfortunately, most of these standards are based on 1959 dollar figures that have not been adjusted for inflation over time. The result is that the Board's method for asserting jurisdiction has become outdated and should be changed to reflect present economic realities. Such a change could result in substantial savings to the U.S. Government.

The NLRB's jurisdiction, in both representation and unfair labor practice cases, extends to all enterprises that "affect" interstate commerce.<sup>2</sup> This expansive statutory grant of authority has been held by the Supreme Court to mean that the Board's jurisdiction extends to "the fullest . . . breadth

constitutionally permissible under the commerce clause."<sup>3</sup>

Traditionally, however, the Board has never exercised its full authority. Since its establishment, the Board has considered only cases that, in its opinion, "substantially affect" interstate commerce. In 1959, Congress endorsed this practice in the Labor-Management Reporting and Disclosure Act. The act specifically allowed the Board to "decline to assert jurisdiction over any labor dispute . . . where . . . the effect of such labor dispute on commerce is not sufficiently substantial to warrant the exercise of its jurisdiction."<sup>4</sup> Congress did not leave the Board total discretion, however. It instructed that the Board "shall not decline to assert jurisdiction over any labor dispute over which it would assert jurisdiction under the standards prevailing upon August 1, 1959."<sup>5</sup>

Thus, although Congress recognized that the Board needed to exercise discretion in interpreting the term "affecting commerce," it clearly did not want the Board to establish lower thresholds than were already in place. In 1959, however, the Board's prevailing jurisdictional thresholds were based on raw dollar amounts. The difficulty with this jurisdictional approach is that it fails to take inflation into account.

The problem with not adjusting jurisdictional thresholds is clearly illustrated in the following example. In 1959, the Board exercised jurisdiction over non-retail businesses that sold or purchased goods in interstate commerce totaling \$50,000 or more annually. In other words, in 1959, \$50,000 of interstate business "substantially affected commerce." Today, the Board continues to exercise jurisdiction using the \$50,000 threshold, but the effect on commerce of \$50,000 today is not nearly what it was in 1959. The value of \$50,000 today is equivalent to \$9,065 in 1959. Thus, just as \$9,065 did not warrant the Board's jurisdiction in 1959, \$50,000 should not warrant the Board's jurisdiction today.

Since 1959, the Board has established separate thresholds for particular types of businesses that did not fall into the 1959 categories. Although these thresholds are more recent, they nonetheless suffer from the same major flaw—they fail to consider inflation.

Figure 1, below, list the Board's current jurisdictional thresholds for various business sectors along with the year in which those thresholds were established. These sums are then converted into their present value—making it clear that the Board's present procedure for asserting jurisdiction is both unrealistic and outdated. Consequently, 29 U.S.C. § 164(c)(1) should be amended to reflect the present value of these jurisdictional thresholds.

A second flaw in basing jurisdiction solely on the volume of the employer's business is that such a method fails to consider the size of the bargaining units involved. As a result, the Board spends scarce federal resources pursuing relatively small benefits. Figure 2 clearly illustrates this position. In 1994, the Board expended nearly 20% of its representation effort on bargaining units of 9 persons or less. Yet, this 20% effort reached less than 2% of the total number of employees involved in representation elections that year (3,393 out of a total of 188,899). In other

<sup>3</sup> *NLRB v. Reliance Fuel Oil Corp.*, 371 U.S. 224 (1963).<sup>4</sup> 29 U.S.C. § 164(c)(1). Parties involved in labor disputes that did not meet the Board's jurisdictional requirements were not left without recourse by Congress. The act specifically provided that agencies or state courts jurisdiction over these claims. 29 U.S.C. § 164(c)(2). Of course, state courts would have to be empowered by state law to do so.<sup>5</sup> 29 U.S.C. § 164(c)(1).<sup>1</sup> This analysis was prepared by the staff of the Labor Policy Association.<sup>2</sup> 29 U.S.C. § 160.