

HONORING THE CONTRIBUTIONS OF SAN MARCOS CITY COUNCIL-MAN BILL TAYLOR

HON. HENRY CUELLAR

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 12, 2005

Mr. CUELLAR. Mr. Speaker, I rise today to honor the distinguished public service of San Marcos City Council member Bill Taylor.

In 1971, Bill Taylor earned his Bachelor's Degree in Government, graduating with honors from San Marcos Baptist Academy. He served for 6 years in the Texas Army National Guard, and has been a member of the National Society of Certified Insurance Counselors. Currently, he is a Commercial Marketing Manager for Bill Taylor & Associates, Inc.

Mr. Taylor was elected to the San Marcos City Council in 2002. He has had a tremendously productive career in public service, working on the City's Airport Commission and on the Small Business Development Council. Bill has spent his spare time volunteering for the San Marcos CISD Bond Committee, the Chilympiad Board of Directors, and has been honored with the title of *El Jefe*.

Bill Taylor has lived a life of enormous service to his community. Since arriving in San Marcos 39 years ago, he has been at the center of volunteer project after volunteer project. Along with his many accomplishments for the people of San Marcos, Bill has 6 children with his wife Debbie.

Mr. Speaker, City Council member Bill Taylor is an exemplary public servant. His work has made San Marcos safer, healthier, more efficient and more prosperous. I am proud to have the chance to thank him here today for all he has done for his fellow Texans.

INTRODUCTION OF THE TAXPAYER ABUSE PREVENTION ACT: CONGRESS SHOULD NOT ALLOW BOUNTY HUNTERS TO ABUSE TAXPAYERS

HON. CHRIS VAN HOLLEN

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 12, 2005

Mr. VAN HOLLEN. Mr. Speaker, I rise to announce that today I introduced the Taxpayer Abuse Prevention Act of 2005. If enacted into law, this bill would repeal the provision tacked onto the FY2005 Omnibus Appropriations bill that hands over the tax returns of millions of American taxpayers to private contractors to collect delinquent taxes, and to keep 25 percent of their take as a commission for services rendered.

This provision opens the door to taxpayer intimidation and abuse, practices that have been outlawed by Congress. This practice amounts to bounty-hunting—at taxpayer expense—by allowing collection agencies to harass those same American taxpayers, many of whom are guilty of nothing, with the incentive of collecting their commission as their primary motivation. Giving unaccountable outside bounty hunters unfettered access to Americans' personal financial data poses a risk that we just cannot afford, and that is why these

organizations oppose the IRS proposal: Citizens for Tax Justice, Consumer Federation of America, Consumers Union, National Consumer Law Center, National Consumers League.

Late last year, Congress enacted H.R. 4520, the corporate tax bill, which included a provision that will give the IRS the authority to use private collection agencies to collect tax debt. This means that up to 2.6 million tax returns—which until then were only scrutinized by federal government employees—will now be open to private collection agencies and an untold number of private debt collection staff.

What's more worrisome is the IRS' inability to oversee the work of these private debt collectors. A 1996 pilot program for private collection was so unsuccessful that a similar pilot program planned for 1997 was cancelled outright. The contractors used in the pilot programs regularly broke the Fair Debt Collection Practices Act, did not protect the security of personal taxpayer information, and even then failed to bring in a net increase in revenue.

The IRS has said that it has learned from the 1996 project and is better equipped to address the problems raised. However, even recent evidence is to the contrary. An eye-opening report by the Treasury Inspector General for Tax Administration (TIGTA Audit #200320010) shows how IRS contractors put taxpayers' data at risk. The TIGTA audit found that the "lack of oversight of contractors resulted in serious security vulnerabilities." The report found that "contractors blatantly circumvented IRS policies and procedures even when security personnel identified inappropriate practices." In fact, the report found that contractors made hundreds of calls to taxpayers during times prohibited by the FDCPA, and that calls were even placed as early as 4:19 a.m.

The objective of the review was "to determine whether the Internal Revenue Service (IRS) has adequately protected Federal Government equipment and data from misuse by contractors." The review found: "The involvement of non-IRS employees in critical IRS functions increases the risk of misuse or unauthorized disclosure of taxpayer data, and could lead to loss of equipment or sensitive taxpayer data through theft or sabotage."

While IRS employees are explicitly forbidden from being evaluated on the basis of revenue collected, the private collection scheme would actually link contractor pay to the amount of revenue collection. This policy encourages contractors to use aggressive collection techniques to boost their remuneration. Furthermore, the IRS is currently liable for damages to a taxpayer resulting from the misuse of confidential information by an IRS employee, but taxpayers will not be able to recover damages from the federal government where contractors are guilty of malfeasance.

The House had already expressed its will that this provision *not* become law when it approved by voice vote an amendment to the FY2005 Treasury Appropriations bill that prevented the expenditure of any federal funds for private collection of federal taxes. Unfortunately, the Treasury Appropriations bill never became law, and the House-passed amendment was stripped out of the omnibus spending bill by the Republican leadership in the conference—behind closed doors, in the dead of night.

We must repeal this onerous provision. We must protect American taxpayers from intimi-

dation and abuse. We must ensure that personal financial records are protected and remain private. Two decades ago this Congress passed the Fair Debt Collection Practices Act specifically to protect Americans from intimidation and abuse, but last year this Congress perpetrated an injustice by allowing these very abuses to go forward.

I urge my colleagues to join me in working with the IRS to find a more effective means of collecting delinquent tax debt collection and avoid this risky scheme altogether. Let's pass the Taxpayer Abuse Prevention Act.

RECOGNIZING SALEM HOUSING COMMUNITY DEVELOPMENT CORPORATION

HON. DALE E. KILDEE

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 12, 2005

Mr. KILDEE. Mr. Speaker, today I rise to congratulate Salem Housing Community Development Corporation, located in my hometown of Flint, Michigan. On April 14, civic and community leaders will gather to honor Salem Housing at a Celebration and Awards Banquet entitled, "20 Years of Building Community."

Salem Housing was created in 1984 by 5 neighborhood organizations and a church on Flint's north side. These 6 groups were brought together by common concerns about the deteriorating housing stock in their shared neighborhood: vacant and deteriorating houses, a declining homeownership base, and low-quality rental housing with high rents. They also shared concerns for those families who had to live in these deteriorated housing structures due to lack of financial resources, or unavailability of other housing options. As a result, they formed the Salem Housing Task Force, with a mission to "improve family living conditions by providing safe, decent, and affordable housing for families of limited income, and to act as a catalyst to restore the neighborhoods within its service area." This area encompassed a 132-block region, bounded by Pasadena Avenue on the north, Saginaw Street on the east, Wood/Begole on the south, and Dupont on the west.

In 2001, the Salem Housing Task Force officially became the Salem Housing Community Development Corporation. They retained their goals of affordable homeownership, and the results have included the restoration of long vacant and blighted homes, helping homeowners renovate their existing homes, and they continue to work with local neighborhood organizations to improve and beautify their streets. In addition, they have provided training and information for skills including home repair and money management.

Mr. Speaker, for 20 years, the Salem Housing Community Development Corporation has helped many Flint residents gain the satisfaction that comes with owning their own home, and they have helped cultivate civic pride as well. I am appreciative for all they have done to make our community a better place in which to live. I ask my colleagues in the 109th Congress to please join me in commending them for their efforts over the past 20 years, and wish them much success in the future.