

INTRODUCTION OF H.R. 5987, THE SENIORS PROTECTION ACT OF 2010

HON. EARL POMEROY

OF NORTH DAKOTA

IN THE HOUSE OF REPRESENTATIVES

Friday, July 30, 2010

Mr. POMEROY. Madam Speaker, I rise to introduce the Seniors Protection Act of 2010, H.R.5987. I am honored to be joined by many of my colleagues who have heard from senior citizens back home about the pressing need for Congress to provide this relief in light of the widely held expectation that there will be no increase in Social Security benefits for a second year in a row. The legislation would ensure that seniors, veterans and people with disabilities who receive Social Security and similar federal benefits receive a one-time \$250 payment in the event that no cost-of-living-adjustment (COLA) is announced this fall.

Seniors did not cause the near meltdown of the economy that occurred in the last days of the prior Administration, yet too many are still feeling the brunt of its fallout. This bill would help seniors across the country who face the likely possibility that on October 15th, the Social Security Administration will announce for the first time ever—as a result of a long-standing statutory formula—that there will not be a COLA in Social Security benefits in back-to-back years.

The failed economic policies of the prior Administration left the nation in such a deep recession that, for the first time since automatic COLAs began in 1975, recipients of Social Security, Supplemental Security Income, Veterans Administration Pension and Disability Compensation, and Railroad Retirement benefits did not receive a COLA in January of this year.

Social Security benefit levels are quite modest—only \$14,000 a year for the average retiree. Yet, the median income for senior households is a mere \$24,000, reflecting just how much Social Security means to most elderly Americans. Six in ten seniors rely on Social Security for more than half of their income. About a third of retirees have little other than Social Security to live on.

Although economy-wide measures of inflation have shown no net increase since the last COLA, which reflected price levels in the third quarter of 2008, Medicare premiums and health care costs have continued to rise. Moreover, seniors' other sources of income have weakened as a result of the economic downturn: the financial collapse reduced the value of their IRAs; interest rates are low, reducing income from seniors' savings; and the housing crash reduced seniors' home equity. The one-time \$250 payment for retirees and other beneficiaries would represent less than two percent of the average annual Social Security benefit.

Seniors who depend on their very modest Social Security benefits worry about meeting their basic day-to-day expenses. I have heard these concerns from seniors in my district and from Members of Congress who are hearing these same worries from their seniors. I am pleased those Members are joining me in introducing the Seniors Protection Act of 2010. Democrats are honoring America's commitment to protect the purchasing power of seniors' Social Security benefits.

For 75 years, and through 13 recessions, Social Security has been a steady and reliable

source of income—never a day late nor a dollar short. And since 1975, when Congress implemented automatic COLAs, recipients of Social Security have been able to maintain purchasing power over time. Social Security is often the only source of retirement income that is fully protected against the corrosive effects of inflation.

This bill is responsive to seniors and responsible to taxpayers. My colleagues and I are committed to fiscal responsibility and will ensure that the Seniors Protection Act of 2010 shall not cause an increase in the federal deficit. When the bill comes to the House floor it will include the necessary offsets to comply with the PAYGO law.

The legislation is supported by seniors. With regard to this legislation, our former colleague Barbara Kennelly, President of the National Committee to Protect Social Security and Medicare said:

For the millions of seniors who rely upon Social Security as their only source of income, and millions more who rely upon it for at least half of their income, a one-time payment to make up for the lack of a COLA is not a luxury, it's a necessity. I applaud the Members of the Congress who understand that helping seniors maintain their purchasing power for necessities like health care, fuel and food, not only improves their quality of life but also helps the local economy.

AARP Senior Vice President Drew Nannis offered the following statement:

For over three decades, millions of Americans have counted on annual increases in their Social Security checks to help make ends meet. This year, 41 million older Americans did not receive a Social Security COLA, the first time since automatic Social Security adjustments went into effect in 1975.

This relief will put money in the pockets of millions of older Americans struggling to make ends meet—money likely to be injected directly into our fragile economy.

Edward F. Coyle, Executive Director of the Alliance for Retired Americans said:

Seniors are struggling to get by. \$250 may not seem like much on Wall Street, but to retirees on Main Street it could be what allows them to pay their electric bill or buy groceries. We must make sure Social Security meets today's basic needs.

I urge my colleagues to stand up for seniors and support the Senior Protection Act of 2010.

MS. BARBARA YARBOUGH'S 50TH YEAR OF SERVICE AT MIDLAND INDEPENDENT SCHOOL DISTRICT

HON. K. MICHAEL CONAWAY

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Friday, July 30, 2010

Mr. CONAWAY. Madam Speaker, I always enjoy being able to share stories about the great people of District 11 with my colleagues. Today, I would like to share the story of Barbara Yarbrough, a treasured citizen of Midland, Texas, who I am privileged to represent in this House.

Barbara grew up in what many of us would consider difficult circumstances. Orphaned at the age of eight, she and her younger brother spent four years homeless until an Aunt took them in. Her Aunt encouraged her to go to college, telling her that if she graduated, she could do anything.

I do not know if Barbara's Aunt knew then how right she would be, but I am proud to say that Barbara has accomplished everything one individual could hope to in a life devoted to serving the communities she has called home.

In Midland, Barbara is a living legend. For almost forty years, she taught two generations of Midlanders, serving as an advisor, a confidant, a cheerleader, a mentor, and a friend to every student who sat in her classroom. After retiring from teaching, Barbara tackled new challenges, and now works as a parent liaison in the Midland school district. Through this office, she works with parents and families, offering counseling, advice, parenting classes, health information, and support for parents when they have needed it the most.

I expect that most every community has someone like Barbara; someone who works nearly as hard or touches almost as many lives. I imagine that every member of Congress I serve with can think of someone that might compare. But, I know that I represent the one and only Barbara Yarbrough. She is a singular individual, a truly unique soul, who my community is blessed to be able to call our own. She is also a near and dear friend to me, who I am honored to be able to brag on here today.

This August, Barbara celebrates 50 years of serving the students, parents, and employees of the Midland Independent School District, I would like to offer my humblest gratitude to her for her five decades of service and her genuine, unwavering, and unflinching concern for the people of Midland. She has been and will continue to be a friend to many and a servant to all.

May God bless her as she has blessed us.

U.S. DEPARTMENT OF EDUCATION NOTICE OF PROPOSED RULE-MAKING REGARDING "GAINFUL EMPLOYMENT"

HON. ALCEE L. HASTINGS

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Friday, July 30, 2010

Mr. HASTINGS. Madam Speaker, I rise today to express serious concerns regarding the Department of Education's recent Notice of Proposed Rulemaking regarding "gainful employment."

As it is currently proposed, the Department's approach will lead to serious educational capacity cutbacks in critically important fields such as nursing and education and will disproportionately affect low-income and minority students.

Today, 2.8 million students attend career colleges. Seventy-six percent of these students live independently, without parental support. Sixty-three percent are 24 years old or older. Fifty-four percent delayed postsecondary education after high school. Forty-seven percent have dependent children, and almost one-third of these students are single parents.

The Department's suggested approach will disproportionately harm these nontraditional and lower-income students who have no choice but to rely on student loans to pursue a postsecondary education and need the flexibility career colleges provide.

On May 18, I along with thirteen of my colleagues were assured during a meeting with

Secretary Duncan that our concerns would be taken into account, but thus far, I have difficulty believing that that was anything more than a facade. The proposal does not reflect our previously stated concerns and recent discussions indicate that rather than a productive dialogue with the administration, Members will receive little more than a formal response once the rule is set in stone.

The "gainful employment" provision has been in statute since 1965, why is there this sudden rush to get this done by a drop, dead certain date? We all agree that both tax payer funds and students' best interests should be protected, but rushing into a blanket approach that will limit student access to higher education and fails to adequately address problem institutions, is irresponsible.

Throughout this process, I have been trying to gain a better understanding of what exactly it is that the Department wants to address.

If it is unreasonable amounts of student debt, well, I agree that is a concern. Let's then have a frank conversation on student debt, but it is not only the institutions that are responsible. Students, lenders, policy makers, as well as institutions must be part of this process and must be held accountable.

However, what student debt has to do with "gainful employment" is beyond me. Let's not kid ourselves; there is no connection between debt and future income and "gainful employment." As any young Capitol Hill staffer will tell you, salary is no indication of the quality of their job.

I agree with the existing statute and the Department of Education that certificate and vocational programs should lead students to better employment. It is therefore shocking that there is no mention of job placement, professional certification passing rates, employer verification, or anything else job-related in determining an institution's effectiveness.

Madam Speaker, I encourage Secretary Duncan and the individuals in the Department of Education who are writing these regulations to visit some of the schools in my District to see for themselves the commendable job they are doing at providing professional opportunities to students who would otherwise not have them.

Higher education needs more competition and more capacity to expand access, improve quality, and prepare the 21st century workforce, not less. The Department's suggested approach detracts from the ability of deserving Americans to compete in the global economy.

I strongly urge the Department of Education to abandon this foolish proposal and go back to the drawing board. Members of Congress such as myself are ready and willing to work with the Department and other interested parties to ensure that we better protect our students and improve the quality and accessibility of educational opportunities across all sectors of our educational system.

HONORING THE 60TH ANNIVERSARY OF THE KOREAN WAR

HON. BETTY MCCOLLUM

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Friday, July 30, 2010

Ms. MCCOLLUM. Madam Speaker, I rise today to recognize America's Korean War Vet-

erans and their service to the United States on the 60th anniversary of the Korean War.

On June 24th, 2010 the Department of Defense marked the beginning of a three year observance period for the 60th anniversary of the Korean War. I commend the Secretary of Defense for choosing to honor the sacrifices of our Korean War veterans. The American men and women who served in the Korean Theater sacrificed at great cost to protect our national security by preventing the expansion of communism on the Korean Peninsula. The legacy of their efforts is the democratic freedom enjoyed by the people of South Korea. The collective cost to the United States was terribly high, including more than 36,000 killed, 92,000 wounded, 7,000 taken prisoner of war, and 8,000 missing in action.

Our country owes all veterans of this conflict a great debt for their service.

H.R. 5962, THE AMERICAN BUSINESS COMPETITIVENESS ACT

HON. DANIEL B. MAFFEI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Friday, July 30, 2010

Mr. MAFFEI. Madam Speaker, no one likes to pay taxes. The people in my district and all throughout our country work hard to make a living, and especially in tough economic times, it is difficult to give up a portion of that hard-earned money. But, most citizens also appreciate that our taxes allow us to have the country we do—our taxes allow us to send our children to school, to keep our country safe, to provide Social Security, and to maintain our way of life.

In the words of Franklin Delano Roosevelt, "Taxes, after all, are dues that we pay for the privileges of membership in an organized society."

Yet, while many of our hard-working citizens understand this fact, they do not understand why our current tax code is riddled with loopholes. They don't like that certain people and certain industries—especially those with high-paid lobbyists and heavy influence in Washington—get special breaks. They do not understand why some people and some companies get out of paying their fair share of taxes, or why we reward companies with tax breaks for sending jobs overseas.

The worst of these special breaks allow companies to take advantage of U.S. tax deductions on income they make overseas. It actually rewards companies for taking business—and jobs—out of our country and sending them to China or India or elsewhere. Under current law, corporations can defer taxes on business income they earn through foreign companies while they take deductions related to that income when they pay U.S. taxes. In effect, we are encouraging corporations to ship jobs overseas—and then telling the American taxpayer to give them a special tax break! Not only is this provision unfair to taxpayers, it is unfair to companies that keep their operations in the U.S. and try to preserve American jobs.

Those are the businesses that employ our hard-working citizens and keep our economy afloat. Those businesses look at our complicated tax code and cannot understand why their competitors that ship jobs overseas are

favored with special breaks. And they don't understand why the United States has a higher corporate tax rate than most other industrialized nations—which brings me to my second point. At the same time we're creating loopholes for some, we're putting our entire business community at a competitive disadvantage in the worldwide market.

China's corporate tax rate is 25%.

The United Kingdom's corporate tax rate is 28%.

Japan's corporate tax rate is 30%.

The United States' top marginal corporate tax rate? 35%.

The bill I'm proposing today aims to fix both of these problems. First, it will eliminate the irresponsible tax loopholes that only benefit certain sectors of certain industries. One loophole my bill closes, for instance, currently allows foreign corporations to avoid paying taxes on income they earn in the United States by funneling the money through different countries where we have tax treaties. This misuse must stop. We must strive to make our tax system fairer.

And secondly, I do not believe that the revenue raised by closing these loopholes should just be thrown back into the federal budget. Instead, I think we should use this revenue to help boost the competitiveness of our entire business community, by sharply reducing our corporate tax rate, to 23%. This is a major tax cut that would allow companies from upstate New York and around the country to better compete in the global economy—and it would ensure that all companies benefit, not just those with good lobbyists. Between revenue raised by closing these egregious tax loopholes and added economic stimulus of lower corporate tax rates, this legislation provides a good balance.

This competitive tax rate will give us back an edge—an edge over China and other countries whose tax laws have attracted corporations to move American jobs overseas in the first place. Our taxpayers, our businesses and our country deserve better, and this bill is a crucial first step toward making our tax system fairer for everyone.

A BILL TO ENSURE BETTER ECONOMIC DATA IS COLLECTED FOR THE TERRITORIES AND FOR OTHER PURPOSES

HON. MADELEINE Z. BORDALLO

OF GUAM

IN THE HOUSE OF REPRESENTATIVES

Friday, July 30, 2010

Ms. BORDALLO. Madam Speaker, today I have introduced a bill to require the Director of the Bureau of Economic Analysis of the Department of Commerce to publish certain economic data regarding territories and freely associated States, and for other purposes. This bill is timely and important to the economic growth of our insular areas. I want to thank the ranking member of my subcommittee, Mr. BROWN of South Carolina, for being an original co-sponsor. Additionally, I would like to thank my colleagues Mr. FALEOMAVAEGA of American Samoa, Mrs. CHRISTENSEN of the U.S. Virgin Islands, Mr. PIERLUISI of Puerto Rico, Mr. HONDA of California, Mr. SERRANO of New York, Mr. AL GREEN of Texas, and Ms. HIRONO of Hawaii have joined on as original co-sponsors.