# A NEW DIRECTION FOR AMERICA



Democrats believe that America needs –
and Americans deserve –
a New Direction that provides
security, prosperity,
and opportunity for all.

House Democrats, 109th Congress

### A NEW DIRECTION

Hope, faith, and optimism have always defined the American spirit. Never before have those qualities been more urgently needed. With that sense of urgency and in keeping with our optimistic American spirit, Democrats are advancing a New Direction for America. We believe America should work for everyone – not just the privileged few – by building opportunity and prosperity for all and guaranteeing real security. That was the vision of our Founding Fathers; that is our vision for the future. We know that Americans can work together to meet the serious challenges facing our country, create a stronger nation, and build a safer and freer world.

Over the past decade, the Republican majority in Congress has taken our nation in the wrong direction. Too many Americans are paying a heavy price for those wrong choices: record costs for energy, health care and education; jobs shipped overseas; and budgets that heap record debt on our children. For millions, the middle-class dream has been replaced by a middle-class squeeze. In spite of lessons learned by 9/11 and Hurricanes Katrina and Rita, independent experts tell us Americans are still not as safe as we should be, and America's leadership around the world has eroded.

Democrats are proposing a New Direction for America – to reassert our role as a respected international leader. Our New Direction advances national security priorities that are tough and smart, a military second to none, and a firm commitment to building diplomatic alliances to defeat terrorism, promote freedom, alleviate poverty, and stop global warming.

The New Direction for America advances the right priorities – to make our nation safer and our economy fairer; to make health care and college more affordable; to energize America with energy independence; and to guarantee a dignified retirement for all Americans. These initiatives – the product of a united Democratic House Caucus working together with our Senate colleagues - are our priorities for the 109th Congress. We are committed to building an America where all families can live and prosper in diverse, safe, and vibrant communities.

With integrity, civility and fiscal discipline, our New Direction for America will use commonsense principles to address the aspirations and fulfill the hopes and dreams of all Americans. That is our promise to the American people.

Mancy Pelosi
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House Democratic Leader

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### A NEW DIRECTION FOR AMERICA



#### **REAL SECURITY - AT HOME AND OVERSEAS**

Reclaim American leadership with a tough, smart plan to transform failed Bush Administration policies in Iraq, the Middle East and around the world. Require the Iraqis to take responsibility for their country and begin the phased redeployment of U.S. forces from Iraq in 2006. Double the size of Special Forces to destroy Osama Bin Laden and terrorist networks like al Qaeda. Rebuild a state-of-the-art military capable of projecting power wherever necessary. Implement the bipartisan 9/11 Commission proposal to secure America's borders and ports and screen 100% of containers. Fully man, train, and equip our National Guard and our police, firefighters and other first responders. Honor our commitments to our veterans.

#### **PROSPERITY - BETTER AMERICAN JOBS, BETTER PAY**

Prohibit the Congressional pay raise until the nation's minimum wage is raised. End tax giveaways that reward companies for moving American jobs overseas.

#### **OPPORTUNITY - COLLEGE ACCESS FOR ALL**

Make college tuition deductible from taxes, permanently. Cut student loan interest rates. Expand Pell Grants.

#### **ENERGY INDEPENDENCE - LOWER GAS PRICES**

Free America from dependence on foreign oil and create a cleaner environment with initiatives for energy-efficient technologies and domestic alternatives such as biofuels. End tax giveaways to Big Oil companies and enact tough laws to stop price gouging.

#### AFFORDABLE HEALTH CARE - LIFE-SAVING SCIENCE

Fix the Medicare prescription drug benefit by putting seniors first by negotiating lower drug prices and ending wasteful giveaways to drug companies and HMOs. Promote stem cell research that offers real hope to millions of American families who suffer from devastating diseases.

#### **RETIREMENT SECURITY AND DIGNITY**

Stop any plan to privatize Social Security, in whole or in part. Enact real pension reform to protect employees' financial security from CEO corruption and mismanagement, including abuse of the bankruptcy laws. Expand personal savings incentives.

Democrats' plan for Real Security will protect Americans, secure our borders, and restore our country's position of international leadership.



The first responsibility of our government is the security of every American. In this era of unprecedented and unpredictable challenge, we must be prepared for any threat.

The men and women of America's armed forces, and those on the front lines here

at home, have met every challenge with skill, bravery, and selfless dedication. They, along with veterans, military retirees and the families of those who have given their lives or have been wounded in defense of our country, deserve the gratitude and support of the American people. We will always honor their service and fulfill our promises to them.

We believe America is best protected, and freedom best advanced, by national security policies including homeland, energy, and diplomatic strategies that are both tough and smart.

Democrats offer a plan for Real Security to rebuild our military, equip and train our first responders and others on the front lines here at home, provide needed benefits to our troops and veterans, fully man and equip our National Guard, promote alternative fuels and reduce dependence on foreign oil, and restore Americans' confidence in our government's ability to respond in the face of a terrorist attack or natural disaster.

To protect the American people and our homeland, we will immediately implement the recommendations of the independent bipartisan 9/11 Commission and protect our ports and airports, our borders, mass transit systems, our chemical and nuclear power plants, and our food and water supplies from terrorist attack.

After September 11, Americans trusted President Bush to take the steps necessary to keep our country safe. Since then, inadequate planning and incompetent policies have failed to make Americans as safe as we should be. The tragedy of Hurricane Katrina showed that the federal government is still not prepared to respond.

Under President Bush and the Republican majority in Congress, the war in Iraq began with manipulated intelligence and no plan for success; our ports and other critical infrastructure remain vulnerable, while both soldiers in the field and first responders at home lack the basic equipment and resources they were promised. Both in the Persian Gulf and our own Gulf Coast, lucrative no-bid contracts have gone to companies such as Halliburton, Kellogg Brown and Root, and others with friends in high places and records of cheating taxpayers. And despite record high fuel prices, our country remains heavily dependent on foreign oil because of an energy policy written by energy lobbyists to benefit the big oil interests.

Americans want and deserve change. Democrats' plan for Real Security will protect Americans and restore our country's position of international leadership.

#### **21ST CENTURY MILITARY**

To Ensure Unparalleled Military Strength and Honor Our Troops, we will:

Rebuild a state-of-the-art military by making the needed investments in equipment and manpower so that we can project power to protect America wherever and whenever necessary.

Guarantee that our troops have the protective gear, equipment, and training they need and are never sent to war without accurate intelligence and a strategy for success.

Enact a GI Bill of Rights for the 21st Century that guarantees our troops -- active, reserve, and retired -- our veterans, and their families receive the pay, health care, mental health services, and other benefits they have earned and deserve.

Strengthen the National Guard, in partnership with the nation's Governors, to ensure it is fully manned, equipped and available to meet missions at home and abroad.

#### **WAR ON TERROR**

To Defeat Terrorists and Stop the Spread of Weapons of Mass Destruction, we will:

Eliminate Osama Bin Laden, destroy terrorist networks like al Qaeda, finish the job in Afghanistan, and end the threat posed by the Taliban.

Double the size of our Special Forces, increase our human intelligence capabilities, and ensure our intelligence is free from political pressure.

Eliminate terrorist breeding grounds by combating the economic, social, and political conditions that allow extremism to thrive; lead international efforts to uphold and defend human rights; and renew longstanding alliances that have advanced our national security objectives.

Secure by 2010 loose nuclear materials that terrorists could use to build nuclear weapons or "dirty bombs."

Redouble efforts to stop nuclear weapons development in Iran and North Korea.

#### **HOMELAND SECURITY**

To Protect America from Terrorism and Natural Disasters, we will:

Immediately implement the recommendations of the independent, bipartisan 9/11 Commission including securing national borders, ports, airports and mass transit systems.

Screen 100% of containers and cargo bound for the U.S. in ships or airplanes at the point of origin and safeguard America's nuclear and chemical plants and food and water supplies.

Prevent outsourcing of critical components of our national security infrastructure -- such as ports, airports and mass transit -- to foreign interests that put America at risk.

Provide firefighters, emergency medical workers, police officers, and other workers on the front lines with the training, staffing, equipment, and cutting-edge technology they need.

Protect America from biological terrorism and pandemics, including the Avian flu, by investing in the public health infrastructure and training public health workers.



To Honor the Sacrifice of Our Troops, we will:

Ensure 2006 is a year of significant transition to full Iraqi sovereignty, with the Iraqis assuming primary responsibility for securing and governing their country and with the responsible redeployment of U.S. forces.

Insist that Iraqis make the political compromises necessary to unite their country and defeat the insurgency; promote regional diplomacy; and strongly encourage our allies and other nations to play a constructive role.

Hold the Bush Administration accountable for its manipulated pre-war intelligence, poor planning and contracting abuses that have placed our troops at greater risk and wasted billions of taxpayer dollars.

#### **ENERGY INDEPENDENCE**

To Free America from Dependence on Foreign Oil, we will:

Achieve energy independence for America by 2020 by eliminating reliance on oil from the Middle East and other unstable regions of the world.

Increase production of alternate fuels from America's heartland, including bio-fuels, geothermal, clean coal, fuel cells, solar and wind; promote hybrid and flex fuel vehicle technology and manufacturing; and enhance energy efficiency and conservation incentives.

We believe America is best protected, and freedom best advanced, by national security policies that are both tough <u>and</u> smart.



#### THE GI BILL OF RIGHTS FOR THE 21st CENTURY

In 1944, Congress enacted the original GI Bill first drafted by the American Legion to honor those who fought in World War II. The bill honored and supported our returning troops by providing them with educational benefits, home loans and medical assistance. And in each major military conflict since, we have honored

the service of our soldiers through a new GI Bill.

Now, 60 years later, our military is engaged in Operation Iraqi Freedom and Operation Enduring Freedom where more than one million troops have served. Our National Guard and Reserve have made an unprecedented contribution in the effort – providing half of the troops in Iraq. These troops have served our nation with distinction, and it is time for a grateful nation to honor that service.

House Democrats introduced the New GI Bill of Rights for the 21st Century to honor the bravery of our troops and the tremendous sacrifices that their families have made. We must celebrate, honor and remember these courageous and faithful men and women through this New GI Bill. Democrats stand ready to move forward on providing all the support our veterans and military retirees have earned. On the battlefield, the military pledges to leave no soldier behind. As a nation, let it be our pledge that when they return home, we leave no veteran behind. Let us honor their service with a New GI Bill of Rights worthy of our grateful nation.

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#### THE GI BILL OF RIGHTS FOR THE 21st CENTURY

#### PROVIDES THE BENEFITS OUR VETERANS HAVE EARNED AND DESERVE

Ends the Disabled Veterans' Tax and the Military Families' Tax.

Reduces waiting times on disability claims and expands outreach to veterans.

Honors the families of those who made the ultimate sacrifice for our country.

Increases survivor benefits for families with minor children.

#### STRENGTHENS OUR SUPPORT FOR OUR MEN AND WOMEN IN UNIFORM

Provides \$1,000 bonus for those serving in Iraq and Afghanistan.

Ensures an adequate number of troops and adequate equipment for our troops.

Improves military pay for senior enlisted personnel and warrant officers.

#### HONORS OUR DEBT TO OUR SERVICEMEN AND WOMEN

Modernizes and expands the GI Bill education and job training programs.

Provides additional funds to assist homeless veterans find employment.

Protects bonuses and special pay for the permanently injured and continues combat pay or additional compensation for those recovering from combat injuries.

#### IMPROVES HEALTH AND EDUCATION BENEFITS FOR OUR NATIONAL GUARD/ RESERVISTS

Expands military health care (TRICARE) for National Guard/Reservists.

Protects the income of activated National Guard/Reservists.

Ensures recruitment incentives and bonuses for National Guard/Reservists and expands educational benefits.

### **ENERGY INDEPENDENCE**



Energy independence is a national security issue, an economic issue, and an environmental issue. With gasoline prices at record levels, Americans are feeling the pain at the pump. They worry about the security of our nation and our growing dependence on foreign oil. Fortunately, the answer to this long-term challenge is right here at home.

American ingenuity can be put to work to achieve energy independence from Middle East oil in the next 10 years. America can develop emerging technologies to process homegrown alternative fuels. A sustained investment in research and development is crucial to creating cutting-edge technologies to develop these clean, sustainable energy alternatives and capitalize on America's vast renewable natural resources, including solar energy and wind power.

Democrats have a plan developed by our Rural Working Group to invest in the Midwest and other American farm communities. Our New Direction will send our energy dollars to the Midwest, not to the Middle East.

With solutions that are home-grown, our plan commits to America. Our comprehensive plan provides tax incentives to encourage increased biofuels production, increases the number of flex fuel vehicles on the road, and expands the ethanol pumps at gas stations. It would increase research and development to create jobs through cutting-edge technologies for biofuels, including new refining processes and new vehicle technologies.

#### **GLOBAL WARMING**

The technological advances that will achieve energy independence also will help us address the most urgent environmental issue facing us today: global warming. For the sake of our future generations, America must provide strong leadership to reduce emissions that are responsible for global warming. Instead, we have walked away from international efforts to help reduce this growing danger to the planet.

We will develop ground-breaking technology and policies that harness the creativity and flexibility of the free market to reverse the dangerous warming trends. Increased use of renewable energy sources, including biofuels, and energy efficiency will help reduce emissions, protecting future generations from this global threat.

### **ENERGY INDEPENDENCE - ENERGIZING AMERICA**

#### AMERICA'S FARMERS WILL FUEL AMERICA'S ENERGY INDEPENDENCE

#### **INCREASE BIOFUELS SOLD IN AMERICA**

Double the percentage of renewable fuels sold in America in six years.

Make sure that biodiesel and cellulosic sources, such as switch grass, are a key part of that increase.

Extend tax credit for ethanol and biofuels through 2015 and provide tax benefits to small ethanol producers.

## INCREASE VEHICLES THAT RUN ON ETHANOL AND MAKE BIOFUELS MORE READILY AVAILABLE TO CONSUMERS AT THE PUMP

Require automakers to increase the percentage of "flex fuel" vehicles that run on ethanol, as well as gasoline. In five years, 75 percent of all cars manufactured in America would be flex-fuel cars.

Increase the number of gas stations offering ethanol (E-85) and biodiesel through new incentives and requirements.

#### RESEARCH AND DEVELOPMENT TO IMPROVE USE OF RENEWABLE ENERGY

Invest in biofuels research to make ethanol production more efficient and environmentally sound.

Invest in cutting-edge research to develop new processes for turning other farm products, such as switchgrass and woodchips, into biofuels.

Invest to foster new vehicle efficiency technologies.

#### **ENCOURAGE LOCAL DOMESTIC OWNERSHIP**

Provide federal incentives to smaller ethanol plants, so that independent, locally-owned facilities that produce biofuels can compete with large oil companies.



## THE INNOVATION AGENDA - A COMMITMENT TO COMPETITIVENESS TO KEEP AMERICA #1

"The vows of this nation can only be fulfilled if we are first, and therefore, we intend to be first. Our leadership in science and in industry, our hopes for peace and security, our obligations to ourselves as well as others, all require us to make this effort."

— President John F. Kennedy

In answering John F. Kennedy's bold call to put a man on the moon, America unleashed unprecedented technological advances that built the world's most vibrant economy. Through scientific discovery and innovation, America became Number One in world economic competitiveness. We must make the decision now to ensure that America remains the world leader. Working with leaders from the high-technology, venture capital, academic, biotech and telecommunications sectors, we have identified and are committed to priorities that will guarantee our national security and prosperity, expand markets for American products, and assert economic leadership throughout the world.

The future prosperity and competitiveness of America demand that we initiate this sustained financial and intellectual investment in innovation. We must also ensure that our children and grandchildren are not burdened by failed policies that have exploded the national debt. That is why House Democrats will submit these priorities to the rigors of "Pay As You Go" budgeting to ensure that new spending or tax cuts do not add to the deficit.

House Democrats believe the American people have always excelled at leading the world. With this bold agenda, our nation will continue to be the world leader in education, innovation, and economic growth.

#### A NEW GENERATION OF INNOVATORS

America's greatest resource for innovation resides within classrooms across the country. We must give our students more opportunities to be highly-trained in math, science, and technology so they can turn ideas into innovations. Future innovators must reflect the diversity of our country, and we must provide opportunities for every qualified student, including minorities and women. Democrats will create a new generation of scientists, engineers, and mathematicians and will ensure that today's students get the job skills they need at all levels of learning.

To achieve this goal, Democrats will:

Educate 100,000 new scientists, engineers, and mathematicians in the next four years by proposing a new initiative, working with states, businesses, and universities to provide scholarships to qualified students who commit to working in the fields of innovation.

Place a highly qualified teacher in every math and science K-12 classroom by offering upfront tuition assistance to talented undergraduates and by paying competitive salaries to established teachers working in the fields of math and science; institute a "call to action" to professional engineers and scientists, including those who have retired, to join the ranks of our nation's teachers.

Create a special visa for the best and brightest international doctoral and post-doctoral scholars in science, technology, engineering and mathematics.

Make college tuition tax-deductible for students studying math, science, technology, and engineering.

Democrats will create a new generation of scientists, engineers and mathematicians and will ensure that today's students get the job skills they need at all levels of learning.

#### A SUSTAINED COMMITMENT TO RESEARCH AND DEVELOPMENT

Independent scientific research provides the foundation for innovation and future technologies. But federal funding for research and development has declined steadily over the last decade, and sound science has been compromised by political interference. We can do better. Over the next five years, Democrats will double the federal commitment to research aimed at developing the next generation of scientific breakthroughs, and we will promote the public-private partnerships necessary to translate these new ideas into marketable technologies.

To achieve this goal, Democrats will:

Double overall funding for the National Science Foundation, basic research in the physical sciences across all agencies, and collaborative research partnerships; restore the basic, long-term research agenda at the Defense Advanced Research Projects Agency (DARPA) to conduct long-range, high-risk, and high-reward research.

Create regional Centers of Excellence for basic research that will attract the best minds and top researchers to develop far-reaching technological innovations and new industries, and modernize existing federal and academic research facilities.

Modernize and permanently extend a globally competitive research and development (R&D) tax credit to increase domestic investment, create more U.S. jobs, and allow companies to pursue long-term projects with the certainty that the credit will not expire.

Reward risk-taking - Bridge the digital divide

#### AFFORDABLE BROADBAND ACCESS FOR EVERY AMERICAN WITHIN FIVE YEARS

Nationwide deployment of high speed, always-on broadband Internet and mobile communications will fuel the development of millions of new jobs in the United States. Just as railroads and highways did in the past, broadband and mobile communications will dramatically increase the productivity and efficiency of our economy in the future. In education, broadband will provide greater access to information, expanded curriculum, and real-time collaboration across borders and boundaries. In health care, broadband will enable advanced electronic health technology to improve patient care and vastly reduce costs. In communications, broadband will make the convergence of information, media, and telecommunications a reality, and services such as Voice over IP and video on demand will be pervasive. Democrats will ensure that the United States has the world's most advanced telecommunications infrastructure to bridge the digital divide so that every American has access to affordable broadband Internet service and communications technology.

To achieve this goal, Democrats will:

Implement a national broadband policy that doubles federal funding to promote broadband for all Americans, especially in rural and underserved communities; create new avenues of Internet access including wireless broadband technologies, broadband over power lines, and affordable community-based options.

Ensure the continued growth of Internet-based services and provide a stable regulatory framework to attract investment by existing providers and new entrants.

Enact a broadband tax credit for telecommunications companies that deploy broadband in rural and underserved parts of America to ensure that every region of the country benefits from our innovation investments.

#### A COMPETITIVE SMALL BUSINESS ENVIRONMENT FOR INNOVATION

Small businesses are the catalysts for technological innovation. The evolution from idea to marketable product, guided by a successful small business plan, has led to entrepreneurial successes that have fueled our technological revolution and will be the key to continued job growth in the future. Yet small businesses face significant hurdles, both regulatory and market-based, that thwart the effort to transform ideas into jobs. Removing these hurdles is a key component of this Innovation Agenda.

To achieve this goal, Democrats will:

Bridge the "valley of death" that destroys innovative ideas before they become marketable products due to lack of financing and technical support by doubling funding for the Manufacturing Extension Partnership (MEP) and the Advanced Technology Program (ATP), modernizing the Small Business Innovation Research Program (SBIR), and fully funding SBA 7(a) loans to ensure that American small businesses have the resources and technical assistance they need to successfully innovate.

Reward risk-taking and entrepreneurship by promoting broad-based stock options for rank-and-file employees.

Protect the intellectual property of American innovators worldwide, strengthen the patent system, and end the diversion of patent fees.

Require specifically-tailored guidelines for small public companies to ensure Sarbanes-Oxley requirements are not overly burdensome.

Provide universal, affordable access to health insurance, beginning with a 50 percent tax credit and multi-insurer pools to help small businesses provide affordable and comprehensive health care coverage for their employees.

#### **ENERGY INDEPENDENCE IN 10 YEARS**

America will achieve energy independence from Middle East oil in the next 10 years by developing emerging technologies that work in synergy with the existing energy infrastructure. A sustained investment in research and development is crucial to creating cutting-edge technologies that allow us to develop clean, sustainable energy alternatives and capitalize on America's vast renewable natural resources.

To achieve this goal, Democrats will:

Substantially reduce the use of petroleum-based fuels by rapidly expanding production and distribution of synthetic and bio-based fuels, such as ethanol derived from cellulosic sources, and by deploying new engine technologies for fuel-flexible, hybrid, plug-in hybrid and biodiesel vehicles.

Build on the success of the Department of Defense's DARPA that helped build the world wide web by creating an initiative to provide seed money for fundamental research needed to develop high-risk, high-reward technologies and build markets for the next generation of revolutionary energy technologies, such as those emerging from biotechnology, nanotechnology, solar, and fuel cell research.

America will be stronger: We will assert our global economic leadership, create new business ventures and jobs, and give all Americans the opportunity to achieve the American Dream.

### **OPPORTUNITY - COLLEGE ACCESS FOR ALL**



A college education is as important today as high school was a generation ago - and Democrats intend to make attending college just as affordable and available to all. College is the best investment that students can make in themselves and that parents can make toward the success of their children. It is

also the best investment our nation can make in America's future.

Congressional Republicans have failed to provide any relief for rising tuition. They have allowed student loan interest rates to increase, making student loans even harder to repay. Even worse, as college expenses jumped, the Republicans raided the federal student aid initiatives by \$12 billion and froze the maximum Pell Grant that helps low- and moderate-income students attend college.

Greater college affordability is a top priority for our New Direction for America, and we intend to achieve it. Democrats have a threepoint plan for college affordability: our New Direction will begin by cutting student loan interest rates in half.

Our New Direction plan will slash interest rates on college loans in half to 3.4% for students and to 4.25% for parents – saving the average student borrower \$5,600.

Our New Direction plan for college affordability will also dramatically increase the tax deductibility of college tuition by simplifying the maze of tuition laws to allow a 100% tax credit for tuition up to \$3,000 – the equivalent of a \$12,000 deduction for most middle-class families.

Our New Direction plan for college affordability will also increase the maximum Pell Grant to \$5,100, giving more than a quarter of a million additional young people the opportunity to pursue a college degree.

Nothing brings more money to the public treasury than educating the American people. It is also the best investment our nation can make in America's future.

Democrats are fighting ongoing attempts to privatize Social Security in whole or in part. We are committed to providing middle-class families with the tools they need to achieve retirement security.

### RETIREMENT SECURITY AND DIGNITY

#### **AMERISAVE**

AmeriSave is the Democratic plan to help middle-class families build retirement security, to expand opportunities to save, and to ensure pension fairness.

Today's middle-class families are struggling to pay for exploding health care costs, rising college tuitions, and higher gas prices at the pump. Many Americans are also facing the dismal prospect of finding their pensions increasingly at risk as companies such as United Airlines enter bankruptcy. These realities make saving for retirement an even greater challenge.

Democrats are fighting ongoing attempts to privatize Social Security in whole or in part, but we must do more so that every American has the opportunity to build a secure retirement. Unfortunately, the Republican majority in Congress has done little to help American families save for their retirement years and has failed to protect pension benefits that workers were promised.

We are committed to providing middle-class families with the tools they need to achieve retirement security. The AmeriSave Plan will expand and improve existing retirement accounts, such as 401(k)s and IRAs, so that

American families can benefit from the power of compound interest while retaining Social Security's guaranteed benefit. Under AmeriSave, nearly 100 million Americans will be eligible for the "AmeriSave Match," which will match dollar-for-dollar the first \$1,000 contributed to an IRA, 401(k), or similar retirement plan.

We will strengthen retirement security without adding to the deficit. The AmeriSave Plan will increase national savings and grow our economy while helping middle-class families prepare for a brighter future.



### RETIREMENT SECURITY AND DIGNITY

#### **BUILD RETIREMENT SECURITY**

AmeriSave Match: Help middle- and workingclass families achieve retirement security by matching dollar-for-dollar the first \$1,000 contributed to an IRA, 401(k), or similar plan.

AmeriSave Financial Counseling: Empower AmeriSavers with information on retirement saving options by providing a tax credit to employers who encourage access to independent, certified financial counselors.

#### **EXPAND OPPORTUNITIES TO SAVE**

Automatic 401(k) Participation: Dramatically increase participation in 401(k) accounts by encouraging employers to automatically enroll eligible employees unless the employee chooses not to participate.

Faster 401(k) Vesting: Increase 401(k) benefits by triggering the employer-match for 401(k) accounts sooner.

Tax-Refund IRA: Simplify savings by allowing Americans to directly deposit part of their tax refund into an IRA or other retirement savings plan.

Increased Options for Retirement Income: Encourage employers to offer their employees the option to convert their retirement plan into an annuity when they retire. Employers would receive a tax credit to help offset their administrative costs.

#### **ENSURE PENSION FAIRNESS**

Stop Unfair Dumping of Pensions: Remove incentives for corporations to use the bankruptcy process to dump their pension plans when there are sufficient assets to sustain these plans. Require companies to consider workable alternatives to the termination of pension plans and give employees and retirees a stronger voice in the process.

Greater Transparency: Require companies to give employees and investors accurate and timely financial information on significantly under-funded pension plans.

Fairness: Treat corporate CEOs and employees fairly under pension and tax laws; if employee benefits are cut, executives should face similar reductions.

Equity for Older Workers: Protect longtime employees when a company moves from a traditional pension to a cash balance plan by allowing employees to choose the plan that works best for their retirement needs.

### HONEST LEADERSHIP AND OPEN GOVERNMENT





## Integrity

On November 19, 1863, President Abraham Lincoln traveled to a battlefield cemetery in Gettysburg, Pennsylvania, and urged his countrymen to dedicate themselves to the preservation of "government of the people, by the people and for the people." It is to this same cause that we dedicate ourselves.

Throughout the history of our democracy, there has been an ongoing struggle to put the people's interest ahead of the special interests. Since the Republican Party took complete control of the White House, the House of Representatives, and the U.S. Senate, cronyism and corruption have become widespread in the people's government.

This culture of corruption is an affront to the idea of a representative democracy, and its consequences are devastating: a complex and costly prescription drug bill written by the pharmaceutical industry, an energy policy written by the oil industry, and record deficits to pay for tax cuts for the wealthy few.

Democrats declare that it is time to end the culture of corruption prevailing through all levels of government. We are committed to immediate change to lead this country in a new direction, to put an end to business as usual, and to make certain this nation's leaders serve the people's

interests, not special interests. Our responsibility to our constituents and to our nation is to represent all of the people, not just the powerful.

Our goal is to restore accountability, honesty and openness at all levels of government. To do so, we will create and enforce rules that demand the highest ethics from every public servant, sever unethical ties between lawmakers and lobbyists, and establish clear standards that prevent the trading of official business for gifts.

Honest leadership is not a partisan goal. It is the key to a stronger union. We must all work together to put the progress of all Americans ahead of the special interests of the few. With honest leadership and open government, America's leaders can once again focus on the urgent needs of the American people: real security overseas and at home, economic strength and educational excellence, affordable health care, energy independence, and retirement security.

### HONEST LEADERSHIP AND OPEN GOVERNMENT



Prohibit the receipt of gifts, including gifts of meals, entertainment and travel, from lobbyists. Prohibit travel on corporate jets.

#### **CLOSE THE REVOLVING DOOR**

Close the revolving door between the Congress and lobbying firms by doubling (from one year to two) the cooling-off period during which lawmakers, senior Congressional staff, and Executive Branch officials are prohibited from lobbying their former offices. Eliminate floor privileges for former Members of Congress and officers of the Senate and House who return to lobby.

## TOUGHEN PUBLIC DISCLOSURE OF LOBBYIST ACTIVITY

Expand the information lobbyists must disclose - including campaign contributions and client fees. Require them to file disclosure reports electronically and increase the frequency of those filings. Require lobbyists to certify that they did not violate the rules and make them subject to criminal penalties for false certifications.

## SHUT DOWN PAY-TO-PLAY SCHEMES LIKE THE "K STREET PROJECT"

End efforts like the "K Street Project," created by Republicans to pressure corporations and lobbying firms on whom to hire in exchange for political favors.

## DISCLOSURE OF OUTSIDE JOB NEGOTIATIONS

Require lawmakers to disclose when they are negotiating private sector jobs and require Executive Branch officials who are negotiating private sector jobs to receive approval from the independent Office of Government Ethics.

## PROHIBIT "DEAD OF NIGHT" SPECIAL INTEREST PROVISIONS

Require that all conference committee meetings be open to the public and that members of the conference committee have a public opportunity to vote on all amendments. Make copies of conference reports available to Members and post them publicly on the Internet 24 hours before consideration (unless waived by a supermajority vote). Disclose all earmarks.

## ZERO TOLERANCE FOR CONTRACT CHEATERS

Restore accountability and openness in federal contracting by subjecting major contract actions to public disclosure and aggressive competition; criminally prosecute contractors who cheat taxpayers, with penalties including suspension and debarment; impose stiff criminal and civil penalties for wartime fraud on government contracting; prohibit contractors with conflicts of interest from conducting oversight or writing contract requirements they could bid on; mandate full disclosure of contract overcharges; create tough penalties for improper no-bid contracts; and close the revolving door between federal contract officials and private contractors.

## PROHIBIT CRONYISM IN KEY APPOINTMENTS

End rampant cronyism by requiring that any individual appointed to a position involving public safety possess proven credentials and expertise in areas relevant to the position.

### A CONGRESS WORKING FOR ALL AMERICANS



Civility

"All, too, will bear in mind this sacred principle: that though the will of the majority is in all cases to prevail, that will to be rightful must be reasonable; that the minority possess their equal rights, which equal law must protect, and to violate would be oppression."

- Thomas Jefferson, First Inaugural Address, March 4, 1801

Every person in America has a right to have his or her voice heard. No Member of Congress should be silenced on the floor, as has been the practice of Republican leadership in the U.S. House of Representatives. Respectful of both the wishes of the Founders, and the expectations of the American people, we offer the following principles for restoring democracy in the "People's House," guaranteeing that the voices of all the people are heard.

#### BIPARTISAN ADMINISTRATION OF THE HOUSE

There should be regular consultations among the elected leaders of both parties to discuss scheduling, administration and operations of the House.

The House should have a predictable, professional, family-friendly schedule that allows the legislative process to proceed in a manner that ensures timely and deliberate dispensation of the work of the Congress.

Regular meetings between Chairs and Ranking Members of committees and staffs should be held.

The Minority should control at least one-third of committee budgets and office space.

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#### **REGULAR ORDER FOR LEGISLATION**

Bills should be developed following full hearings and open subcommittee and committee markups, with appropriate referrals to other committees. Members should have at least 24 hours to examine a bill prior to consideration at the subcommittee level.

Bills should generally come to the floor under a procedure that allows open, full, and fair debate consisting of a full amendment process that grants the Minority the right to offer its alternatives, including a substitute.

Members should have at least 24 hours to examine bill and conference report text prior to floor consideration. Rules governing floor debate must be reported before 10 p.m. for a bill to be considered the following day.

Floor votes should be completed within 15 minutes, with the customary 2-minute extension to accommodate Members' ability to reach the House Chamber to cast their votes. No vote shall be held open in order to manipulate the outcome.

House-Senate conference committees should hold regular meetings (at least weekly) of all conference committee Members. All duly-appointed conferees should be informed of the schedule of conference committee activities in a timely manner and given ample opportunity for input and debate as decisions are made toward final bill language.

The Suspension Calendar should be restricted to non-controversial legislation, with minority-authored legislation scheduled in relation to the party ratio in the House.

### FISCAL DISCIPLINE



Our federal budget should be a statement of our national values. One of those values is responsibility. Democrats are committed to ending years of irresponsible budget policies that have produced historic deficits. Instead of

piling trillions of dollars of debt onto our children and grandchildren, we will restore "Pay As You Go" budget discipline.

Budget discipline has been abandoned by the Bush Administration and its Republican congressional majorities. Congress under Republican control has turned a projected \$5.6 trillion 10-year surplus at the end of the Clinton years into a nearly \$3 trillion deficit—including the four worst deficits in the history of America. The nation's debt ceiling has been raised four times in just five years to more than \$8.9 trillion. Nearly half of our nation's record debt is owned by foreign countries including China and Japan. Without a return to fiscal discipline, the foreign countries that make our computers, our clothing

and our toys will soon be making our foreign policy. Deficit spending is not just a fiscal problem - it's a national security issue as well.

Our New Direction is committed to "Pay As You Go" budgeting - no more deficit spending. We are committed to auditing the books and subjecting every facet of federal spending to tough budget discipline and accountability, forcing the Congress to choose a new direction and the right priorities for all Americans.

Instead of piling trillions of dollars of debt onto our children and grandchildren, we will restore "Pay As You Go" budget discipline.

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