Congressman Tom Petri News from Congress



DECEMBER 2011

WE WILL RECOVER

BY REP. TOM PETRI

I don't believe it. But we have dug ourselves into a deep hole and face an immense challenge climbing our way out. Where We Are Now—As of this writing in early December, the most recent figures have unemployment at 8.6 percent nationally. Add in those who are working part-time but need

Ts America in decline? It certainly

full-time work and those who have become discouraged and have stopped looking, and you get an underemployment rate of 15.6 percent.

In Washington, federal spending has exploded. In 2007, the deficit was \$161 billion. It reached \$1.3 trillion during the last budget year - that's an increase of over 700 percent in five years. The accumulated federal debt is over \$15 trillion, an amount which happens to equal the value of all the goods and services produced in the United States last year.

Since 2008, the government has been shoveling money out the door in an attempt to get the economy moving again. Stimulus spending has been at least \$1.2 trillion, dwarfing the Pentagon's \$758 billion estimate of the direct cost of eight years of war in Iraq. **Supporting Job Creation**—While we can't afford more of the President's stimulus spending, the House has approved more than 20 bills designed to support economic growth and jobs.

For example, we approved a budget plan for 2012 which would have cut \$6 trillion in government spending over 10 years, helped put our budget on a path to balance, and prevented trillions of dollars of tax hikes. By taking decisive action to bring the budget under control, we would have reassured the private sector that Congress can act responsibly.

But the Senate does not agree. In fact, the Senate has failed to produce its own version of an annual federal budget

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plan for over 900 days — a case of negligence which helps to fuel the concern of potential job creators that the government is hopelessly dysfunctional.

Admittedly, most of the other pro-growth bills passed by the House are limited in scope. There is only so much the House can do when what we need more than anything else is for the Senate and the President to help us change the economic atmosphere in which businesses operate.

The administration and its allies in Congress have been ambitious, bringing about sweeping changes in health care that are scheduled to take effect over the next several years, advocating higher taxes on job creators and taking an activist approach to regulation, most notably with environmental rules which promise to drive up electricity rates.

Partially as a result, employers are afraid to hire, investors are afraid to invest, and banks are afraid to lend. Their ability to plan for growth is hindered by uncertainty over how much health care is going to cost, how high taxes are going to be, and what costly new regulations are going to be issued. Instead of expanding and creating jobs, they are hunkering down.

Unfortunately, there is more bad news. Even if Congress and the President were doing everything right, we are threatened by economic chaos abroad affecting our major trading partners who might, as a result, throttle back on their imports from us.

Europe is endangered by a potentially deepening continent-wide recession with the possibility that governments might default on their bonds, some of which are held by American investors. **There Is Hope**—This all makes for a grim picture, leading many to ask, "Is the American Dream over?"

Keep in mind that the American economy is growing, although at too slow a pace to create the number of jobs we urgently need. We could be doing much better if Congress and the

President would cooperate in formulating consensus policies and showing a steadier hand in Washington as opposed to the constant bickering and take-noprisoners politics currently on display.

If everybody insists on getting their own way 100 percent of the time, the result is stalemate rather than victory for one side or the other. Nothing gets done and everybody loses. When this problem might be resolved is an open question.

Nevertheless, while we face problems and challenges, America has always triumphed in the end because of the ingenuity and entrepreneurial spirit of our people. The world is going through a period of breathtaking scientific advancements, and our country is well positioned to develop and make use of the "next big thing," whatever that might be.

As an example, new technologies are making more domestic oil

and gas accessible. There are serious concerns which must be addressed about the effects of fossil fuels on the environment, but the fact remains that we have the option of becoming energy independent over the next decade.

Currently, about half of our trade deficit is due to energy imports, so largely eliminating those imports would mean enormous economic benefits for our country and would be a real game changer. And I am confident that further game changers are just around the corner.

Make no mistake: our economy will recover. Even with misguided federal policies, our tradition of innovation and individual initiative will ultimately make the difference. The recovery will be faster and stronger, however, if we accept that we will not grow our economy with ever-rising levels of government spending.

Making Student Loans Affordable

Workers are increasingly finding that some amount of postsecondary education — whether vocational or traditional higher education — is critical for success in today's 21st Century economy. However, as the cost of education continues to rise, our nation's student loan system remains disorganized and inflexible.

During my time in Congress, I have worked diligently to make student loans more affordable while squeezing out waste. In 2010, Congress approved legislation which included provisions I proposed and fought for that will save an estimated \$61 billion by eliminating unnecessary middlemen. (CBO report to Congress, 3/20/10, pg. 7.)

Additionally, I have long advocated that the United States move to a student loan system based primarily on income-contingent loans. This would keep student loans affordable by automatically adjusting minimum loan payments, stretching them out for those with low incomes and speeding them up when a borrower has a prosperous year. While income-contingent repayment options are currently available, they are difficult to use due to unnecessary bureaucratic requirements.

Accordingly, I am working on legislation to direct the Internal Revenue Service to collect payments through employee paycheck withholdings. Such a system would be responsive to changes in borrower circumstances — such as periods of unemployment — and would be simpler to understand than the current maze of repayment options. And it would minimize defaults, which are costly to the taxpayers.

Other countries such as Australia, New Zealand and Great Britain have implemented systems like this with great success. This approach holds great promise for American students as well.

Town Meetings With Representative Tom Petri

Town Meetings provide opportunities to discuss national issues in a group setting. My next round of Town Meetings will take place from January 5th through January 12th at 12 locations throughout east-central Wisconsin. Please come and express your opinions!

Thursday, January 5th

2:30 - 3:30 p.m. — Watertown

Watertown Senior & Community Center 514 South First St., Conley Hall

6:00 - 7:00 p.m. — Fond du Lac

Fond du Lac Public Library 32 Sheboygan Street Eugene G. McLane Meeting Room

Friday, January 6th

10:00 – 11:00 a.m. — Friendship Village Hall, 507 West Lake Street

1:00 - 2:00 p.m. — WautomaCAPsell Center, 205 East Main Street
Conference Room C

3:00 – 4:00 p.m. — MontelloMarquette County Service Center
460 Underwood Avenue
Demonstration Room

Saturday, January 7th

10:30 - 11:30 a.m. — Waupun

Waupun Public Library 123 South Forest Street Large Conference Room

Monday, January 9th

2:00 – 3:00 p.m. — Sheboygan

Mead Public Library 710 North 8th Street Rocca Meeting Room

Tuesday, January 10th

3:00 - 4:00 p.m — Berlin

City Hall, 108 North Capron Street City Council Chambers

Wednesday, January 11th

1:30 - 2:30 p.m. — Menasha

Menasha Public Library, 440 First Street Company B Room

3:30 - 4:30 p.m. — Oshkosh

Oshkosh Public Library 106 Washington Avenue Meeting Rooms A & B

Thursday, January 12th

10:00 - 11:00 a.m. — Chilton

Calumet County Courthouse 206 Court Street Room 025 (Use west entrance)

3:30 – 4:30 p.m. — Two RiversLester Public Library, 1001 Adams Street
Community Room

GETTING THINGS DONE IN CONGRESS

It has been a busy year working with my colleagues in Congress to rein in federal spending and establish a better atmosphere for economic growth and job creation. Here are some of my initiatives and activities, particularly those relating to my roles as a member of the Education Committee and the Transportation Committee, where I am chairman of the Aviation Subcommittee:

- Joined with over 100 representatives and 45 senators to call upon the deficit reduction "Super Committee" to "go big" by coming up with a deal to **save \$4 trillion** over the next 10 years.
- With Rep. Nick Rahall, introduced the Mobilizing Opportunities for Veterans Employment (MOVE) Act to encourage the **hiring of war veterans** for transportation construction jobs.
- Managed House passage of H.R. 658, a four-year authorization of Federal Aviation Administration programs, including air traffic control modernization and airport improvement programs.
- Advocated and won inclusion in law of a **provision cutting the size of the Essential Air Service program**. Created in the late '70s to provide temporary subsidies for passenger service to remote airports, EAS supports nearly empty flights with some per person subsidies as high as \$3,700.
- Leading efforts to **protect Global Positioning System receivers** from interference by a broadband company owned by a New York hedge fund that bought low-quality spectrum next to GPS frequencies and then changed its business plan in a way that could render GPS devices useless in aviation, defense and everyday uses.
- Introduced H.R. 2506, Making Work and Marriage Pay Act. Multiple and uncoordinated phase-outs of tax benefits and assistance programs for low-income families put a strain on their finances as wages rise and benefits fall. The loss of benefits, like high marginal tax rates, creates a disincentive to work hard or get married. H.R. 2506 would create a commission to devise a budget-neutral solution to this problem.

- My **Troops to Teachers** reforms are already included in the House-passed defense authorization bill and, as insurance, I am working to also include them in an upcoming education bill. The Troops to Teachers program helps facilitate the training and placement of returning veterans as school teachers.
- Also targeted for inclusion in the upcoming education bill: my proposals to give states the flexibility to use innovative, computer-based adaptive testing in the classroom and to help ensure that students get the skills they will need to succeed in today's economy skills such as critical thinking, communication, collaboration and creativity.
- Won passage of law making it clear that schools are permitted to **donate excess food** from the school lunch program to local food banks.
- Introduced legislation to require the Internal Revenue Service to inform a taxpayer when it learns, in the ordinary course of its business, that another individual is fraudulently using the taxpayer's Social Security number. This would correct a policy that aids **identity theft**, as has happened to 6th District residents.
- Won House passage of an amendment to allow the historic **S.S. Badger** car ferry to continue to sail under its current permit as its owners explore ways to replace its coal-powered engine. Badger operations contribute \$14 million to the Manitowoc-area economy.



As chairman of the Aviation Subcommittee, Rep. Petri met with the press to advocate legislation to prohibit U.S. airlines from participating in an illegal scheme by the European Union to tax U.S. carriers for emissions - including those that occur over U.S. territory and international waters. The House passed the bill in October.

Town Meeting Schedule Inside

Postal GustomerSixth Congressional District
Wisconsin

Representative Representative

M.C. ECRWSS PRSRT STD

775

Official Business

Congress of the United States U.S. House of Representatives Washington, D.C. 20515



Rep. Petri, a senior member of the Committee on Education and the Workforce, visited a Manitowoc Head Start classroom in July to keep up-to-date with the successes and challenges of the preschool program.

6th District Offices

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Visit Congressman Petri Online! http://petri.house.gov

To email Rep. Petri, or to receive his periodic electronic newsletter or email issue updates, please follow the "contact" link on the front page of the website above.

Follow Tom Petri On Facebook

Coming Up In the 6th District

In 2012, I will be hosting several meetings and conferences which may be of interest to you. Planning is still underway, so please be sure to check my website for further information as these events are finalized. In brief:

- My office is putting together a jobs fair an opportunity for employers needing workers to meet with individuals needing jobs.
- We are working on an agriculture conference, tentatively scheduled for early 2012.
- And my office will participate in the Congressional high school art competition in April. High school students from around the 6th District will be invited to submit paintings and drawings. The winning entry will be displayed in the U.S. Capitol.

For more information on these events as plans are firmed up, please check my website at: http://petri.house.gov