LETTER TO SECRETARY OF DEFENSE, THE HONORABLE ROBERT F. HALE

HON. JOE COURTNEY

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 31, 2013

Mr. COURTNEY. Mr. Speaker, I insert this letter from myself to Under Secretary of Defense, the Honorable Robert F. Hale.

Hon. ROBERT F. HALE,
Under Secretary of Defense (Comptroller), Pentagon,Washington, DC.

DEAR SECRETARY HALE: Thank you for providing me and members of the Readiness Subcommittee a briefing on the implementation of civilian furloughs at the Department of Defense. I appreciate your first-hand view of the policy and its impacts on our defense civilian workforce and our military readiness, and I benefitted from your candid remarks about the challenges that sequestration continues to present to the department.

While I continue to believe that the best way to address furloughs and other impacts to our military readiness is for Congress to pass a comprehensive and balanced plan to end sequestration, I also believe that the department must continue to evaluate all options available to it in reducing or eliminating furloughs this year. During our briefing you indicated that the department was evaluating whether additional reductions in furlough days can be made. It is my hope that the department will finish that analysis and make a positive public announcement on that matter as quickly as possible in order to provide furloughed employees the greatest possible certainty as to their financial outlook for the rest of the year.

Additionally, as I and several of my colleagues mentioned in our session, there are a number of specific aspects of the current furlough policy that continue to frustrate those individuals facing loss of pay through no fault of their own. For example, I believe that the individual military services and agencies can be provided with greater flexibility to pay down or eliminate furloughs under their purview. Additionally, further consideration must be given to the status of dual status technicians and those whose work is funded through the defense working capital funds—both workforces are critical to the day-to-day needs of our military, and I continue to believe that exceptions must be made for these personnel.

Just this past Saturday, I attended a welcome home event for the 1109th TASMG of the Connecticut National Guard, who spent the last year in Afghanistan providing critical maintenance for our helicopter fleet. Their joy at being home with family was undermined with the reality that nearly a third of the 100 returning members are dual status technicians and therefore hit by furlough. After serving in a war zone away from family, it was a bitter pill for these patriots to lose 20 percent of their pay almost immediately upon return.

As I also mentioned in our briefing, the department must better quantify and communicate the cuts that have already been made in attempting to avoid furloughs. When I recently met with furloughed personnel at Naval Submarine Base New London, I received many questions about whether the department made any attempts to cut back on contracting for services, returning outsourced work to federal employees and other potential ways to find the savings necessary to reduce or eliminate furloughs. It is my hope that you will provide members of this committee, as well as the workforce at large, with additional information on the extent to which the department has, or plans, to cut in other areas to limit the reach of furloughs.

Finally, let me thank you for your positive words about the work that our DOD civilians do each and every day in support of the defense of our nation. As you shared in our meeting, one of the most disappointing impacts of the furloughs has been giving our defense civilians the impression that they are not important to or valued by the department, by Congress and by our fellow Americans. That these furloughs, and the greater budget uncertainty at large, is causing long-serving and hard working civilian professionals to question whether they want to stay at the defense department is one of the most insidious impacts of this budget impasse. That is why I hope you and Secretary Hagel will continue to do all you can to reduce or eliminate furloughs, revisit specific unique exemptions, and provide more detailed information about the steps you have, and will continue to take, to limit furloughs through reductions in areas like service contracting and reversing outsourcing decisions.

Thank you, again, for taking the time to meet with me and my colleagues on the Readiness Subcommittee, and I sincerely thank you for your service to our country in these challenging times.

Sincerely,

JOE COURTNEY,
Member of Congress.

HONORING THE DEDICATED SERVICE OF HEDY RATNER AND CAROL DOUGAL

HON. JANICE D. SCHAKOWSKY

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 31, 2013

Ms. SCHAKOWSKY. Mr. Speaker, I rise today to pay tribute to Hedy Ratner and Carol Dougal, the founders of Women's Business Development Center (WBDC), for their exemplary leadership in supporting women's entrepreneurship. As Hedy and Carol step down from their role as co-presidents of the WBDC, let us recognize the work that these two remarkable women have done for more than 25 years to empower other women to start, improve and expand their small businesses.

In 1986, Hedy Ratner and Carol Dougal created the Women's Business Development Center to address the lack of support for women in the business world. Since then, Hedy and Carol have worked tirelessly to accelerate the growth of women-owned businesses and microenterprise ownership, increase the economic impact of women business owners on families and communities, build awareness of business ownership as a path to economic self-sufficiency, and help stimulate policy and system changes to empower women in the economy. Today, the positive impact of the WBDC is clear, and the Center continues to be a leader in expanding opportunities for women.

Over the years, the WBDC has helped more than 66,000 women in the greater Chicago area in their entrepreneurial efforts. Its success has spurred the creation of 14 other centers in 6 states. The oldest and largest women's business assistance center in the country, the WBDC is constantly developing and implementing new approaches to help potential and current women business owners. The Center and its outstanding staff give women the tools, the needed support and the confidence to know that they can become successful entrepreneurs.

Hedy and Carol are recognized leaders who have advised business groups and public officials at all levels about ways to help women improve their families' well-being and our nation by creating new business opportunities. I am one of many who have been fortunate enough to receive their advice on ways to improve federal contracting and lending policies and to learn about the barriers that must be torn down so that more women can enter the realm of business ownership.

I congratulate Hedy and Carol on the extraordinary contributions they have made through the Women's Business Development Center. Although they are leaving their posts as co-presidents of WBDC, I know that they will remain leaders in advocating for women-owned businesses in Chicago and nationwide. I look forward to watching their next steps toward helping women business owners successfully achieve economic independence through entrepreneurship.

RELEASE OF THE DREAM 9

HON. LUIS V. GUTIÉRREZ

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 31, 2013

Mr. GUTIÉRREZ. Mr. Speaker, I submit this letter, from Rep. JARED POLIS of Colorado and myself to the President of the United States asking for the release of the DREAM 9 held in detention in Arizona.

JULY 25, 2013.

President BARACK OBAMA,
The White House, Washington, DC.

DEAR PRESIDENT OBAMA: We write you to express concern for the nine undocumented young people who earlier this week attempted to re-enter the United States from Mexico to return to their homes. They presented themselves at a check point, were detained by U.S. border patrol and are currently being held in the Eloy detention center in Arizona.

As we understand it, these ''DREAMers'' are asking that discretion be exercised by federal authorities to allow them back into the United States and to return to their families and communities. An additional goal that they express is to work to change a system that has resulted in the deportations of DREAMers. Regardless of whether we feel their actions are the best way to affect the change they desire, we share their goal to allow DREAMers and others with strong ties to the United States and who were deported to return to the United States. You stood firmly with the DREAMers when you put in place beneficial case by case relief for DREAMers through Deferred Action of Childhood Arrivals (DACA). We believe that the DREAMers currently detained on the border should have your concern and consideration, as well.

We understand that a long term legislative solution is required in order to provide the most justice for the most people. We are deeply committed to ensure that the ability to return to the U.S. for previously deported individuals is enacted into law, and have worked hard to incorporate such relief into the bipartisan proposal currently being drafted in the House of Representatives. We continue to build the bipartisan support needed to pass legislation this year. While immigration reform is making its way through Congress, we ask that the young people currently detained at the border be released from detention and allowed back into the United States. Their actions to lift up the needs of those deported should not result in detention or exclusion from the United States. In fact, their return would likely be allowed under the Senate-passed immigration bill, S. 744, which we all support.

Thank you for your leadership on behalf of DREAMers and your support of comprehensive immigration reform. We urge you to release the DREAMers detained on the U.S. border in Arizona and allow them to rejoin their families. We urge you to act with all possible speed to make this happen.

Sincerely,

LUIS V. GUTIÉRREZ,
Member of Congress.
JARED POLIS,
Member of Congress.

PERSONAL EXPLANATION

HON. MARK MEADOWS

OF NORTH CAROLINA
IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 31, 2013

Mr. MEADOWS. Mr. Speaker, I was unable to participate in the following votes. If I had been present, I would have voted as follows:

July 30, 2013—rollcall vote 419: on agreeing to the Gallego Amendment to H.R. 2610—I would have voted ''nay''; rollcall vote 420: on agreeing to the Young Amendment to H.R. 2610—I would have voted ''nay''; rollcall vote 421: on agreeing to the Grayson Amendment to H.R. 2610—I would have voted ''aye''; rollcall vote 422: on agreeing to the McClintock Amendment to H.R. 2610—I would have voted ''aye''; rollcall vote 423: on agreeing to the First Hastings Amendment to H.R. 2610—I would have voted ''nay''; rollcall vote 424: on agreeing to the Second Hastings Amendment to H.R. 2610—I would have voted ''nay''; rollcall vote 425: on agreeing to the Third Hastings Amendment to H.R. 2610—I would have voted ''nay''.

THE INTRODUCTION OF THE DISTRICT OF COLUMBIA INCENTIVES FOR BUSINESS AND INDIVIDUAL INVESTMENT ACT

HON. ELEANOR HOLMES NORTON

OF DISTRICT OF COLUMBIA
IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 31, 2013

Ms. NORTON. Mr. Speaker, I rise today to introduce the District of Columbia Incentives for Business and Individual Investment Act, to reauthorize the federal tax incentives for investment in economically distressed areas in the District of Columbia, commonly known as the D.C. empowerment zone, and the D.C. $5,000 first-time homebuyer tax credit, both of which expired at the end of 2011. This bill would reauthorize the tax incentives through the end of 2015, and would be retroactive for 2012 and any period in 2013 during which they remain lapsed, consistent with similar empowerment zone legislation. The empowerment zone incentives include a special capital gains rate, expanded tax-exempt bond financing, additional expensing for equipment purchases and a wage credit of up to $3,000.

The D.C. tax incentives were due to be extended with the package of temporary tax provisions that Congress regularly extends, commonly known as ''tax extenders.'' However, the D.C. tax incentives, for the first time, were not included in the most recent tax extenders package, the American Taxpayer Relief Act (ATRA or P.L. 112–240), which was approved at the beginning of the year. This omission was possible, and we believe occurred, because the D.C. empowerment zone was separately and specially created in 1997, several years after the first, similar urban empowerment zones were created.

Although the D.C. tax incentives, as well as a small number of other expiring temporary tax provisions, were not extended in ATRA, Congress, in the same bill, recognized that the benefits of incentives for investment in economically distressed communities outweighed their costs when it extended all the other empowerment zones. This same logic has particularly strong application to the D.C. tax incentives.

The Republican Party Platform first proposed the D.C. tax incentives in 1996, a year before Congress created them. Republicans, who saw D.C. as a demonstration for what tax incentives could do to revitalize a city, wanted to make the entire District of Columbia an empowerment zone. The Republican platform stated, ''We endorse proposals by the congressional Republican Leadership for dramatic reductions in federal taxes . . . within the District . . . . A Republican president will make it part of a comprehensive agenda to transform the nation's capital into a renewal community, an enterprise zone leading the way for the rest of urban America to follow.'' Every Republican platform since 1996 has indicated strong support for one or more of the D.C. tax incentives.

Senate and House Republicans took the lead in the creation of the D.C. tax incentives after an unprecedented financial crisis revealed the unique peril for a city required to pay for many state-like functions. They reasoned that the tax incentives would revive and sustain the District, and where they have been applicable, they have met that test. The success of the tax incentives is a vindication of the work of the cosponsors. The D.C. tax incentives were proposed by, among others, then-Senators Trent Lott (R–MS), Connie Mack (R–FL), Sam Brownback (R–KS), Spencer Abraham (R–MI), Kent Conrad (D–ND) and Joe Lieberman (D–CT), as well as by then-Representative Amo Houghton (R–NY), and have always been embraced by both Republican and Democratic Congresses and presidents.

The wisdom of the bipartisan use of modest, targeted tax incentives has been amply and visibly demonstrated in the economic resurgence in parts of the city designated as empowerment zones, including parts of downtown Washington. Effects of the empowerment zone incentives are apparent throughout the city, but among the most visible are the Penn Quarter neighborhood, which had limited residential, commercial and retail spaces and is now a popular mixed-use neighborhood, and the vibrant area around the Verizon Center, then a virtual downtown slum but now surrounded by offices, restaurants and nightlife.

Before the business tax incentives, the city found it difficult to retain, much less attract, businesses. However, one of the business tax incentives enabled the city government to issue more than $155 million in tax-exempt bonds on behalf of for-profit and non-profit entities for capital projects. For example, $15 million was issued for the construction of the International Spy Museum, which has brought the added benefit of increasing tourism.

In addition to the business tax incentives, the $5,000 homebuyer tax credit has provided invigorating nourishment to the District's badly starved residential tax base. This credit, which applied citywide, almost immediately reversed the city's alarming residential decline. According to the 2010 census, the District gained population (5.2%) for the first time since the 1950 census, with much of this increase traceable to the homebuyer tax credit. Not only did the homebuyer tax credit staunch the taxpayer exodus for the first time in decades, but with the stability that the credit initiated, other individuals and families began moving to the city. The District is attracting 1,100 residents a month, but these are mostly young, unmarried people. However, the goal of growing the residential tax base by 100,000 to ensure sustainability, set by Alice Rivlin, chair of the D.C. Financial Control Board, as well as a respectable business tax base, is far from being achieved. The city's residential tax base remains well below the Washington metropolitan region and the nation, where it trails all 50 states. In 2012, the homeownership rate in D.C. was 45%, compared to the national rate of 65.4%. D.C.'s homeownership rate was also lowest among the 75 largest Metropolitan Statistical Areas and significantly lower than in the statistical area for the Washington metropolitan region, which was 66.9%. The reauthorization of the homebuyer tax credit is essential if the District is to reach the 100,000 residents the Financial Control Board said was required for the city to sustain itself.

For all of its recent economic progress, the District remains a city without a state backstop. Recognizing this anomaly, Congress passed the National Capital Revitalization and Self-Government Improvement Act of 1997, but the city continues to operate many state-like services, such as higher education, roads and bridges, and health and human services. Furthermore, the federal government continues to impose significant revenue constraints on the District in the Home Rule Act, including a tax exemption on the federal government's use of the city's most valuable real property, a federal limit on the height of buildings in the District and a prohibition on taxing non-resident income.

Now, the city's low-income neighborhoods east of the Anacostia River and in Northeast are on the brink of developing economically, similar to the development experienced in other parts of the District such as NoMa and Capitol Riverfront. The new headquarters for the U.S. Coast Guard will open in August, the first in a complex of buildings Congress has authorized for the federally owned West Campus of the St. Elizabeths hospital. The tax incentives have demonstrated that they can revitalize the eastern half of the nation's capital. Particularly after the recent recession, the business and homebuyer tax incentives are essential for these neighborhoods to see the revival that the incentives have contributed to in downtown and near-in neighborhoods. Withdrawing these incentives, particularly after they have proven effective elsewhere in city,