

MEMORANDUM

TO: House Republicans

FR: Eric Cantor

DT: Friday, April 25, 2014

RE: Spring 2014 Legislative Agenda - An America that Works

This May will mark 238 years since Thomas Jefferson returned to Philadelphia to attend the second Continental Congress. Within a month he was tasked with writing our Declaration of Independence and in it, he wrote: "that all men are created equal, that they are endowed by their Creator with certain unalienable Rights, that among these are Life, Liberty, and the pursuit of Happiness."

As we return to the 113th Congress, we continue our work on our agenda to ensure that every American has the opportunity to pursue Happiness by building an America that Works.

Building an America that Works requires that we:

- (1) Provide an environment for economic growth and job creation;
- (2) Act to remedy government policies that are contributing to a weak economy and embrace policies that encourage robust economic growth and job creation;
- (3) Reform our healthcare system by replacing Obamacare with policies that improve patient choice, access to doctors and hospitals, and lower costs; and
- (4) Ensure that all Americans have the opportunity to succeed by accessing a quality education.

As we look forward to the month of May, we will build on our work over the last three months. Our goal is to build an America that Works.

Lessening the Middle Class Squeeze

With the median household income lower today than it was in 2000, increased energy costs are squeezing more out of an already smaller paycheck for middle class Americans. And, with a cold winter like the one we just experienced, the result is too many American families struggled to pay their home heating bills. Unfortunately, government policies are actually contributing to higher energy prices. That is why in March, House Republicans passed a number of bills aimed at lowering home heating costs by removing red tape and regulations that increase the cost of electricity, making it harder to get natural gas supplies where they are needed, and even making it difficult to transport propane. In fact, Chairman Shuster's bill making it easier to transport propane to areas with shortages has now been signed into law. The Senate is sitting on five other House-passed bills to lower heating costs and I encourage Senator Reid to schedule their consideration as soon as possible.

Under the Obamacare 30 hour rule, hourly employees can lose up to 25% of their hours/wages. Of those most at risk of having their hours and wages cut as a result of Obamacare, 63% are women, 59% are between the ages of 19 and 34, and 90% do not have a college degree. These families have an average household income of just over \$29,000. To protect the paychecks of these hard-working men and women, the House passed Representative Todd Young's bipartisan bill to reinstate the 40 hour workweek.

#### Jobs and Economic Growth

House Republicans took a number of important steps to make it easier for our economy to grow and create jobs. Knowing that excessive and burdensome regulations imposed by Washington already amount to \$7,755 per employee for a large business and a whopping \$10,585 per employee at a small business, House Republicans passed a series of bills to reform the regulatory process. For the first time, the House passed a bill to require that agencies take into account the impact of proposed regulations on individual employment sectors (like construction and mining) and on wages. In addition, we passed Representative Rodney Davis's bill to exempt veterans on TRICARE from being counted towards the 50-employee Obamacare threshold. This simple action will make it easier for businesses to hire our veterans without the Obamacare penalty worsening our job market.

#### Obamacare

As we work towards replacing Obamacare with common sense patient-focused reforms, the House acted to help protect Americans from the devastating impacts of the law. We passed Representative Aaron Schock's proposal to expand the religious conscience exemption under the individual mandate. We also passed Representative Lou Barletta's legislation to ensure that volunteer emergency responders are not considered employees under Obamacare's employer mandate. With Representative Lynn Jenkins' leadership we passed legislation to suspend the individual mandate penalty. We took the

common sense step to require the administration to notify Americans when their personal information is breached in the Obamacare exchanges (Representative Joe Pitts' bill), and we were able to stop the administration from implementing new burdensome rules to Medicare Part D prescription drug program thanks to the work of Representative Renee Ellmers.

A priority of this congress has been pediatric research and in the past month, two important bills have been signed into law. The first, the Gabriella Miller Kids First Research Act, prioritized federal funding to pediatric cancer research over political party conventions. I want to thank Representatives Gregg Harper, Tom Cole, and Peter Welch for their outstanding effort on this legislation. The second bill, championed by Representative Joe Pitts, the Children's Hospital GME Support bill, helps enable hospitals to train the best pediatric doctors for our children. Throughout this Congress, I look forward to finding ways to encourage research into treatments and cures for the diseases that strike our children.

The Obama administration continues its overreach and the House has responded by passing a number of bills aimed at stopping government abuse and reining in the imperial presidency. We once again passed a budget which actually balances along with three budget process reform bills thanks to the hard work of Chairman Paul Ryan, Representatives Tom Price, Scott Garrett, and Rob Woodall, and the entire Budget Committee.

We will continue our fight for an America that Works over the next month with the following areas of emphasis:

Opportunity

Access to Quality Schools

America doesn't work if our children are trapped in failing schools. Unfortunately, this is a reality for too many families. Every child in America deserves the opportunity to attend a school which fosters a quality learning environment with a focus on students succeeding. We have seen the positive growth of charter schools throughout the nation, from New Orleans to New York City. As a result today, nearly 2 million students attend a public charter school. Yet despite the growth in charters over the past decade, nearly a million parents recently went through the heart wrenching experience of learning that their child is on a waiting list for their preferred school. We must not fail our children any longer.

During the week of May 5th, the House will consider H.R. 10, the Success and Opportunity Through Quality Charter Schools Act. This bipartisan bill will modernize our current charter school programs by consolidating two federal programs into one. Through conservative reforms, we will reward high-performing charter schools at the state and local level and permit states more flexibility to allocate federal funds to start charter schools. Under this legislation, states also will have the ability to expand and replicate high-performing charter schools. Every child, no matter their place in life, deserves the opportunity to advance in a school that works. I want to thank Chairman John Kline and every member of the Education and Workforce Committee for their diligent work on this vital piece of legislation and I look forward to a bipartisan vote in the House.

### Jobs and Economic Growth

During the first part of this year, Chairman Dave Camp put forth a bold tax reform proposal, the Tax Reform Act of 2014, which aimed to address a broken tax code that penalizes hard work and innovation, stifles American competitiveness, and economic growth. As the Committee continues to gather feedback on the draft, we have an opportunity to begin addressing some of the currently lapsed tax extenders consistent with our overall direction on tax reform.

Our tax code should encourage business investments, good paying middle class jobs, and the development of technologies we cannot begin to fathom right now. Since it was created in 1981, the R&D tax credit has existed as a temporary provision. To date, it has expired eight times and been extended 14 times. The lack of certainty this creates has thwarted investment by the private sector. That is why the House will consider a permanent R&D tax credit bill during the month of May. This will put American companies, especially American manufacturers, on par with their international competitors whom already have permanent R&D incentives. This bill is not only about manufacturing, it is also about the pure sciences, medical research, and STEM advancements that will propel our economy forward. We will consider other similar tax bills in the months ahead.

### Human Trafficking

Human trafficking is modern day slavery and it is happening all too frequently across this country. The federal government has an important role to play in putting an end to this practice which is why the House will take action in May to combat this horrific crime.

\* Chairman Ed Royce's Fraudulent Overseas Recruitment and Trafficking Elimination Act will address the problems of international trafficking into the United States. This bill targets those who use our nonimmigrant visa system to bring victims legally into the U.S., where they are then forced into sexual exploitation or slave-like labor, rather than the jobs they were promised.

- \* Representative Ted Poe's Justice for Victims of Trafficking Act, which is a comprehensive anti-human trafficking bill, aims to rescue domestic victims, track down their exploiters, and provide additional tools to prosecutors.
- \* Representative Eric Paulsen's Stop Exploitation Through Trafficking Act provides incentives to states to adopt safe harbor laws that treat trafficked minors as victims, and provides an avenue for victims to access protective services, counseling, and skill building rather than being forced into the legal system and facing incarceration.
- \* Representative David Reichert's Preventing Sex Trafficking and Improving Opportunities for Youth in Foster Care Act requires states to take steps to identify, prevent, and address sex trafficking of youth in foster care. It aims to improve the lives of youth in foster care, while also providing them with tools they need to become successful adults.
- \* Representative Ann Wagner's Stop Advertising Victims of Exploitation (SAVE) Act seeks to close the marketplaces that host advertisements for the commercial exploitation of minors and trafficking victims.
- \* Representative Chris Smith's International Megan's Law provides for increased communication between the U.S. and other countries when sex offenders who have victimized children are traveling internationally.

## Appropriations

The power of the purse is one of Congress's most basic and important responsibilities, deriving from Clause 7, Section 9 of Article I, which states, "No money shall be drawn from the Treasury, but in consequence of Appropriations made by law." Chairman Hal Rogers and the members of the Appropriations Committee have begun the task of reporting out appropriations bills. During the week of May 28th, the House will begin the FY2015 appropriations process. This is the earliest start since 1974. In accordance with House Republicans' commitments, we will have an open process allowing us to focus on prudent spending of taxpayer dollars. Please find below the list of the first three appropriations bills the House will consider:

- \* Military Construction/Veterans Affairs (Subcommittee Chair John Culberson)
- \* Legislative Branch (Subcommittee Chair Tom Cole)
- \* Commerce/Justice/Science (Subcommittee Chair Frank Wolf)

As previously announced, the House will likely hold recorded votes past 7:00 p.m. during consideration of appropriation bills.

#### Our Commitment to National Defense and Those Who Serve

Our men and women in uniform deserve all the tools and resources necessary to protect American freedoms. Chairman Buck McKeon and the members of the Armed Services Committee are working on a bipartisan National Defense Authorization Act to reflect the priority of an America that Leads and to help ensure our national security and safety of our troops.

In addition, the House will bring forward a number of bills to address the needs of our veterans. Chairman Jeff Miller and the members of the Veterans' Affairs Committee have worked diligently to ensure accountability at the Department of Veterans' Affairs. As a result of their efforts, we will consider a number of bills in the month of May addressing accountability.

#### Contempt

On April 10th, the Oversight and Government Reform Committee reported to the House a resolution holding former IRS Director of Exempt Organizations, Lois G. Lerner, in Contempt of Congress for refusing to answer questions regarding the targeting of conservative groups by the IRS after initially testifying under subpoena. Thorough investigations by the Oversight and Government Reform Committee as well as the Ways and Means Committee have revealed findings that indicate that Ms. Lerner played a central role in the illegal targeting of conservative groups by the IRS. On April 9th, the Ways and Means Committee referred evidence of criminal violations by Ms. Lerner to the Attorney General. The House will consider the Contempt of Congress resolution in May unless she agrees to testify before the Oversight Committee.

As always, there are a number of items that may be scheduled for consideration next month. Chairman Bill Shuster continues to negotiate the WRRDA conference report and when that work is complete, I expect the House to consider it promptly. Thank you for all your hard work, and I look forward to a productive spring building an America that Works for everyone.

Sincerely,

Eric