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CONTACT: ALANA JUTEAU
(202) 225-7163

Congresswoman Matsui Opposes Policy Riders in Payroll Tax Package

Republicans Continue to Play Political Games, Risk a Tax Increase on 160 Million Middle Class Americans

WASHINGTON, D.C. – Today, Congresswoman Doris Matsui (D-Sacramento) opposed H.R. 3630, the so-called “Middle Class Tax Relief and Job Creation Act of 2011”. While Congresswoman Matsui supports an extension of the payroll tax holiday that protects the solvency of the Social Security trust fund, as well as an extension of unemployment benefits, the Republican’s legislation unfortunately also rolled together a series of contentious policy riders and unrelated legislative initiatives. Because of these measures, the bill does not have a chance of passing the Senate and President Obama has already vowed to veto it.

“We need to be providing real relief to the middle class and to the millions of unemployed Americans who continue to struggle to find work in our economy,” said Congresswoman Matsui. “But, instead of passing clean extensions of unemployment benefits and the payroll tax holiday, my Republican colleagues have chosen to try to advance unrelated, unpopular bills by packaging them together with must-pass legislation. Unfortunately, this is something we have seen far too often this year. Not only is this another broken promise from their ‘Pledge to America’, House Republican’s political games could end up raising taxes on 160 million middle class Americans and severely limit unemployment benefits for so many still struggling to find a job.”

In fact, H.R. 3630 will work to limit unemployment benefits by cutting off unemployment insurance benefits for more than one million Americans, and slashing benefits by more than half for those that still qualify. In California, this would cut the length of unemployment benefits by 40 weeks, and over 100,000 people would lose their benefits in the first six weeks. The bill would also impose new limits on unemployment insurance, such as requiring recipients to have a high school degree.

Additionally, the legislation contains unrelated, controversial provisions, such as the Keystone XL oil pipeline, changes to Medicare, and the sale of broadband spectrum. H.R. 3630 makes changes to Medicare that would, in fact, require millions of seniors to pay more for health care under Medicare. The bill also includes the sale of broadband spectrum. This provision has been strongly criticized by police and firefighters because it will inhibit the creation of an effective national public safety communications network and prematurely take away the current airwaves that first responders use for talking to each other in an emergency.

“As co-chair of the Congressional Task Force on Seniors, and a Member of the House Energy and Commerce Subcommittees on Environment and the Economy and on Communications and Technology, I have been on the frontlines in the battles over the Keystone pipeline, spectrum auctions, and attempts to change Medicare,” continued Matsui. “These are important issues that require a great deal of time and attention, and they should not be rolled together – especially when the way they are addressed here will be detrimental to our environment, our public safety, our seniors, and our public health.”

Further, in order to help pay-for the bill, H.R. 3630 slashes the Prevention and Public Health Fund that was established as part of the health care law and based on Congresswoman Matsui’s own legislation. The fund is a dedicated investment in preventive care that will work to reduce Medicare and Medicaid costs. Cutting this prevention fund is opposed by the American Lung Association, American Heart Association, and the Cancer Action Network American Cancer Society. H.R. 3630 also cuts hospital and skilled nursing facility reimbursements, jeopardizing care for seniors.

And, in another broken promise, the bill increases the deficit by \$136 billion over five years in violation of PAYGO, and increases direct spending by \$156 billion over five years and \$61 billion over 10 years in violation of the Republican’s own “Cutgo” rule.

Matsui added, “This legislation slashes health funding, risks access to care for our nation’s seniors, and rushes forward on a series of unrelated, controversial proposals. Instead of wasting time on a bill that will go nowhere, it is time for House Republicans to get serious about creating jobs, protecting Medicare, and providing relief to our middle class and unemployed.”

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