

Congresswoman Louise Slaughter (NY-28) Chairwoman of the House Rules Committee spoke on the House floor about the need to pass the American Jobs, Closing Tax Loopholes, and Preventing Outsourcing Act.

Her remarks as prepared for delivery are below:

M. Speaker, this legislation is like many bills we do around here – it's the product of many hours of hard work. It's also an effort to strike a balance between extending important, lifesaving assistance to laid-off workers and investing in smart spending that will help our economy.

A significant portion of this bill would go directly to helping Americans; we extend unemployment insurance, invest in summer jobs, fund loans for small businesses and make bonds available to states.

But I am pleased that this bill also cracks down on corporations by closing tax loopholes that have encouraged companies to ship jobs overseas.

And unlike the previous administration, which regularly and routinely engaged in deficit spending, we use Paygo rules here to make sure new spending, other than emergency spending, is fully paid for.

In fact, it's worth reminding my colleagues that the deficit facing this country was created primarily by the last Administration, which started two wars, passed a prescription drug plan and wrote a huge package of tax cuts for the rich - all of which was unpaid for.

In the recent frenzied back and forth over this bill, it's easy to lose sight of all the important steps that this Congress has taken up to this point to help right the economy.

We've passed small business tax relief, expanded the first-time homebuyer tax credit, changed the way students apply for loans, and funded a "Cash for Clunkers" program that injected money into the economy and helped protect domestic jobs at a critical juncture.

With this vote, we can help families across the country and continue the path we set out on last year to help dig the country out of a terrible recession.

For small businesses, the backbone of this nation's economy and the place where most American workers are employed, we use this bill to assure them an easier time getting loans.

The bill also continues the very successful research and development tax credit – a powerful incentive to creating well paying jobs.

The measure extends the ongoing recovery by investing in Build America Bonds and Recovery Zone Bonds – making it less expensive for cash-strapped state and local governments to finance the rebuilding of schools and sewers to hospitals and transit projects.

This legislation helps American families with sales tax relief, property tax relief, disaster area tax relief, and college tuition deductions.

And the bill wisely invests in important energy provisions such as the biodiesel tax credit while making good on our obligations to Black and Native American farmers.

Finally, this measure also strengthens the Oil Spill Liability Trust Fund by increasing the amount the oil industry must pay to clean up disasters.

I also want to pause for a moment to talk about two pieces of this legislation that I was privileged to help craft and believe will pay enormous dividends.

This bill would close a loophole in the tax code that's been used by big corporations, including publicly regulated utilities. Companies use this loophole to avoid paying millions in of dollars in taxes when they spin off a subsidiary. These deals cost taxpayers and they hurt consumers – especially when the company using the loophole is a phone company that wants to get rid of older telephone lines in small towns.

With this bill we close that loophole – and save taxpayers \$260 million over the next 10 years.

On another front, this bill also extends funding for the wool trust fund, which helps keep thousands of textile and apparel workers around the country employed.

I was proud to work on this issue because of the relevance it has to Hickey Freeman, a maker of fine suits located in my hometown of Rochester, New York.

This fund provides funds to makers of wool fabric and yarn producers, as well as sheep growers, to help maintain the domestic production of wool fabric. Too many of our industries in the US have closed up and moved overseas. I frequently say that we can't be a great power if our entire manufacturing sector moves to other countries.

Mr. Speaker, Congress can rightly take great pride in some very historic work on behalf of our constituents this year. But we must remind ourselves that many people are still struggling and we must do everything in our power to fund the necessary programs that protect unemployed Americans, help small business, enhance job creation efforts, and keep America on the road to economic recovery.

I urge my colleagues to join me today in voting yes on this rule and yes on this bill.

M. Speaker. I want to let members know that I will be offering an amendment to this rule at the end of the debate. The amendment makes three changes to the text that has been posted on the Rules Committee website since Thursday, May 20th. It strikes two sections from the House amendment -- sections 511 and sections 516, and it changes the effective date in the carried interest provision making it effective on December 31, 2010 instead of the date of enactment.

The amendment provides for a separate vote on Section 523 which is the SGR -- the so-called doc fix and a vote on the remainder of the modified House amendment.