



July 28, 2015

Vol. 3, No. 15

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Paving Our Roads with Broken Promises: A Rotten Idea

by **Scott Klinger**

With a week to go before funding for our nation's Highway Trust Fund runs out, the Senate is working feverishly to pass legislation that would set a clear path for job-creating infrastructure spending over the next several years.

Optimism rose early Monday when the outline of a [six-year bipartisan bill](#) crafted by Sens. Barbara Boxer (D-CA) and Mitch McConnell (R-KY) was revealed. The bill would provide three years of guaranteed funding, with the remaining three years to be worked out later. But by late afternoon that day, the bill had suffered its first setback, when eight Republicans joined all Senate Democrats to block the legislation from moving forward in a procedural [vote](#).

At issue is the funding mechanism for highway funding. Unwilling to raise the [gas tax, which has been frozen](#) for 22 years (since the early years of the Clinton administration in 1993), Congress has taken to looking for spare change under congressional couches to pay the bill. Some of the \$45 billion cost of the bill would come from extending Transportation Security Administration fees charged to travelers and by cutting the dividend rate paid to banks that own stock in the Federal Reserve System.

Of greater concern are proposed cuts to Social Security benefits and unemployment benefits, both of which are earned and paid for by America's workers. It's amazing how contracts to CEOs must be honored, but contracts with working people can be thrown under the bus.

The bill calls for denying Social Security benefits to those with outstanding warrants for arrest. Proponents of this measure argue that we should not be providing public benefits to "fugitives." They fail to list the "crimes" that can generate a warrant, including failing to show up for jury duty, failing to show up in court for a traffic ticket, or bouncing a check. While few would justify these behaviors as socially responsible, most Americans don't think a jury scofflaw or unpaid traffic tickets should consign an offender to a life of poverty, cut off from Social Security payments they worked for decades to earn and on which they rely for a secure retirement.

A second revenue source would come from denying people on Social Security Disability Insurance the right to receive unemployment benefits. Proponents argue that if you receive disability benefits, you are "double-dipping" if you also receiving unemployment. But the Social Security disability program never intended for its beneficiaries to sit at home; in fact, our anti-discrimination laws explicitly require employers to make workplaces accessible to Americans with disabilities.

Social Security Disability Insurance is designed to give disabled Americans a little extra support to accommodate the financial implications that often come with disability (medications, wheelchairs, home health care assistance, etc.). Many disabled employees do work, and if they lose their jobs, they should receive unemployment benefits since both they and their employer paid for the benefit. Unemployment insurance is just that – an insurance contract between an employee, an employer, and the government.

In addition to breaking contracts with working people across the country, Congress would raise another \$2.4 billion by re-establishing a policy that was a huge failure: the use of private tax collectors to recover taxes owed to the government (Section 52106 of the proposed bill). When tax collection services were outsourced in 2006, proponents said the shift would raise \$2.2 billion. After the costs of the contractor and oversight expenses were paid, the program ended up costing taxpayers [\\$4.5 million](#). Federal tax collectors who work at the IRS collect [62 percent](#) more in back taxes than private tax collectors.

A better way to pay for highways: stop corporations from shipping profits overseas.

While Congress looks for ways to shave and shrink support for working people, they continue to ignore the enormous piggy bank parked in the offshore garage.

U.S corporations currently owe taxes on more than \$2.1 trillion in profits they hold offshore. These are taxes owed on profits they have already earned. A loophole in the U.S. tax code allows multinational corporations to put off paying these taxes until they bring these profits back to the U.S. But other loopholes allow companies to legally leave the money offshore and borrow against it, effectively allowing them to use these funds, which corporations often wrongly claim are "trapped," anywhere in the world. Closing this loophole would raise at least [\\$590 billion](#) over the next decade, according to official congressional estimates.

In our [Burning Our Bridges](#) report earlier this year, we examined offshore tax avoidance among just 26 U.S. corporations that excel at the game of corporate tax dodging. These 26 firms collectively have \$1.3 trillion stashed offshore, 62 percent of the total held by the nation's 28 million businesses. Our report then looked at the infrastructure repairs we could make if these companies paid the taxes they owe.

For instance, we could repair the one in nine U.S. bridges deemed structurally deficient if seven pharmaceutical corporations paid their outstanding taxes on the profits they've shifted offshore using legal accounting tricks. And we could fund the entire \$45 billion cost of the proposed Highway Trust Fund bill if just one company – Apple – paid the \$44.7 billion it told its shareholders it owes on its foreign profits.



Rather than turning to gimmicks like cutting Social Security and unemployment benefits to those who have paid into the system during their working lives and now rely on them to get by, or outsourcing critical IRS functions like tax collections, it is time for Congress to face the elephant (and the donkey) in the room and demand that America's most prosperous corporations pay their fair share to support the public structures they need and use, just like the rest of us.

The nation's CEOs argue that America's taxes make their businesses uncompetitive globally. This is a ridiculous claim in the face of record corporate earnings, near-record stock market prices, and CEO pay that continues to soar far past the compensation levels of CEOs in other nations. A far greater risk to our economic competitiveness is our nation's crumbling infrastructure.

It's time for Congress to require those who do well in America to do well by America. That's the first step toward paving the way to a more prosperous future for all.

Survey Says: Americans Overwhelmingly Support Protecting Endangered Animals, Natural Resources

by Tania Matsuoka

American voters overwhelmingly support the federal Endangered Species Act and are much more likely to vote for a member of Congress who supports environmental protections like the Clean Air Act and the Clean Water Act, [according to a recent poll](#) released by the nonprofit Earthjustice. The poll surveyed 600 registered voters across the United States.

Voters also believe in a science-based approach to decision making when it comes to these safeguards. For example, [more than 70 percent of voters](#) surveyed said that scientists at federal agencies should work with the public to decide which animals and plants should be protected under the Endangered Species Act. Just 18 percent believe this power should belong to Congress.

Americans strongly support public and environmental safeguards.

Critics of environmental protections – such as the Endangered Species Act and the Clean Air Act – make wildly misleading claims about their impacts on jobs and the economy. The American people aren't fooled: the majority of voters from all political parties surveyed in this poll rejected those arguments. Instead, they firmly believe that creating jobs and protecting wildlife and the environment can be done at the same time.

This shouldn't come as a surprise. Voters have consistently and overwhelmingly expressed their support for strong standards, and they want to see effective enforcement of rules on clean air, clean water, and the safety of food and drugs. [A poll released in 2014](#) showed that 89 percent of Democrats, 85 percent of Republicans, and 87 percent of Independents agree that we need *increased* enforcement of laws and regulations. Americans understand that enforcing public safeguards prevents deadly disasters, keeps their families safe, and protects the environment for generations to come.

Voters say lawmakers should let agencies do their job.

Voters are sending a clear message to Congress: environmental protections are hugely popular, and federal agencies should be free to do their job of implementing the laws that Congress passes.

But are legislative leaders listening? Just last week, the House of Representatives considered [a serious funding cut](#) for several natural resources agencies, and conservative members have floated [a raft of anti-environmental policy provisions](#) that would jeopardize our health and protections for endangered species. House leadership has temporarily pulled the bill from the floor over an [unrelated issue](#).

“What we are witnessing in Congress today is a full-fledged attack on our bedrock environmental laws – the Endangered Species Act, the Clean Air Act and the Clean Water Act,” said Jamie Rappaport Clark, president and CEO of Defenders of Wildlife in a statement. Big business interests are spearheading these attacks, and some legislators are ignoring the views of their constituents in supporting these damaging policies.

Supporting environmental protections is common sense, and Americans across the political spectrum agree that these safeguards are vital to our well-being and our quality of life. Some members of Congress are pushing back against those colleagues who are following the lead of polluting and extractive industries. They

should continue to fight the good fight knowing that the American people have their backs.

Another Attempt to Delay Crucial Transportation Safeguards

by Amanda Frank

A proposed bill in Congress would throw a wrench into transportation safety standards, just in time for many families' summer travel plans.

Sen. John Thune's (R-SD) [bill](#) would eliminate the deadline for railroad companies to adopt important accident-prevention technology. The bill would also permit the rental of recalled cars that haven't been fixed yet – including those with faulty airbags responsible for at least eight [fatal malfunctions](#). Car rental companies would need to only include an additional waiver to the pile of papers customers already sign at the rental counter.

Both provisions would make train and rental car travel more risky. Thune, who chairs the Senate Commerce, Science and Transportation Committee, seems more concerned with protecting industry profits than with the health and safety of American travelers.

Thune's bill is an attack on vital rail safeguards.

The National Transportation Safety Board has been advocating for the adoption of [Positive Train Control](#) (PTC) and similar accident-prevention technology for more than 45 years. PTC automatically slows or stops a train when a conductor fails to respond to signals. Considering that human error contributes to around [40 percent](#) of all rail accidents, this technology is a huge step forward in train safety.

In 2008, Congress passed a [bill](#) requiring all rail companies carrying passengers or hazardous materials to adopt PTC by the end of 2015. But with less than six months until the deadline, most railroad companies will fail to meet it. The industry is begging for more time, despite experiencing a recent surge in profits that could [cover the costs of implementation several times over](#).

Thune introduced a bill this spring that would have extended the deadline to implement PTC to 2020. But the fatal Amtrak derailment outside of Philadelphia in May [weakened support](#) for the extension, especially after Amtrak's CEO admitted that PTC [could have prevented this catastrophe](#).

Now, just two months after the tragedy, Thune is trying to delay PTC implementation again.

Under the new bill, companies would have until the end of 2018 to install PTC equipment, but it removes the deadline for implementation. After installation, companies still need to run numerous tests to ensure that everything is working as planned.

With the railroad industry already failing to meet deadlines, granting them unlimited time to implement PTC is mind-numbingly irresponsible.

Oil train safety regulations are experiencing similar attacks.

Last May, federal agencies released rules for trains carrying Bakken crude oil that would help prevent [fiery derailments](#). Among the provisions is a requirement for [advanced breaking systems](#) that significantly reduce breaking distances. Yet Republicans in Congress are [considering a measure](#) that would drop this requirement in order to spare companies the costs of installation.

This opposition to proven safety measures may be better understood in the context of campaign contributions from railroad companies. Over the past 20 years, railroad companies have [contributed over \\$50 million dollars](#) to congressional candidates, with nearly two-thirds of this going to Republicans. Thune received nearly \$300,000 of this money and ranks fourth for total contributions to senators over the past 20 years.

The technology exists to significantly reduce accidents on passenger and freight trains. Railroad companies are already required to adopt them. Let's not let special interests get in the way of safer cars and trains for all Americans.

Groups Say EPA Can Require the Pesticide Industry to Disclose All Hazardous Ingredients to Safeguard Our Health

by Brian Gumm

A [new lawsuit](#) is urging the U.S. Environmental Protection Agency (EPA) to require pesticide companies to disclose *all* of the hazardous ingredients in each product. The case, filed by the Center for Environmental Health, Beyond Pesticides, and Physicians for Social Responsibility, points out that the EPA *already has the authority* to require industry to disclose hazardous pesticide additives, even if they're not designated as the main, "active" ingredients in a product.

In order to make pesticides easier to use, manufacturers almost always mix additives with the product's active ingredient (the one designed to kill weeds or pests). These additional ingredients can make pesticides easier to spray, more readily stick to plant leaves, less likely to wash off in the rain, and last longer in storage.

Often referred to as "inert" or "other" ingredients, additives can make up as much as [80 percent of a pesticide product](#). The EPA usually doesn't require companies to study these ingredients when registering pesticides for sale, so they are often included in products without being tested for safety.

This lack of safety testing can have significant consequences. [A number of scientific studies](#) have shown that the *mixture* of "inert" ingredients with active pesticide ingredients can cause health problems that the active ingredients do not cause on their own. These mixtures can damage the nervous system, heart and blood vessels, and genetic material like our DNA.

Pesticide companies don't proactively list all dangerous ingredients on product labels, and they're almost never required to do so.

Pesticide companies regularly claim that disclosing specific inert ingredients on a product label would lead to unfair competition because their formulations are "trade secrets." EPA rarely challenges those claims, and companies only list the overall percentage of additives in a product, not the names and percentages of each individual ingredient.

Hiding information about pesticide additives can mislead people into believing that potentially dangerous products are safe. This is not the way [our national pesticide law](#) is supposed to work. Americans have a right to know what's in the pesticides for sale at the local hardware store and the chemical mixtures that are sprayed on our food.

We can protect people and our natural resources, but it will require more effective enforcement and chemical industry compliance with the spirit and the letter of the law.

The chemical industry and EPA can take positive steps now to start fixing this problem. EPA should quickly settle the lawsuit with the public interest groups and then restart and finally finish [a disclosure rule it initiated back in 1984](#) (which it has abandoned, revived, and abandoned again over the past two decades). That rule would require pesticide companies to clearly list any hazardous additives on product labels, even if they are not active ingredients.

EPA can also start requiring studies of the 96 potentially toxic pesticide ingredients that it has deemed a "high priority" for testing.

For its part, the chemical industry can drop [its longstanding opposition](#) to listing all ingredients on product labels. If they are serious about consumer and community safety, pesticide companies can act now, without waiting for federal requirements to be put in place.

Listing all the dangerous ingredients in pesticides won't automatically make those products safer, but it can increase public pressure on companies and encourage them to develop less hazardous products. It can also empower individuals, farmers, apartment managers, and public agencies to reduce or eliminate their use of the riskiest pesticide products and [adopt more sustainable ways of fighting pests](#) and invasive weeds.



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