

THE 2014 OREGON MIDDLE CLASS AGENDA



OREGON'S SENATOR

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CONTENTS

| | |
|--|---|
| The Oregon Middle Class Agenda..... | 1 |
| Create Good Paying Jobs | 2 |
| Invest In Our Infrastructure | |
| Stand Up For American Manufacturing | |
| Support Oregon’s Small Businesses | |
| Jobs for Vets | |
| Forest Jobs | |
| Providing a Quality Education..... | 4 |
| Pre-K-12 Schools That Prepare Oregon Students For A Global Economy | |
| Make College More Affordable | |
| Ensuring a Secure Retirement for Middle Class Families..... | 5 |
| Protect A Healthy Retirement For Seniors | |
| Ensure A Secure Retirement For Seniors | |
| Make Washington Work for Working Families..... | 6 |
| Promote Economic Fairness | |
| Protecting Consumers From Predatory Practices | |
| Ending Wall Street Gambling With Main Street Money | |
| End Special Interests’ Stranglehold on the Senate | |
| Getting Secret Money Out Of Politics | |
| Moving Forward: The Oregon Middle Class Agenda | 9 |

THE OREGON MIDDLE CLASS AGENDA

The American dream has defined our ideals for decades. Few beliefs are more central to America – or Oregon – than the strong belief that every child deserves an equal opportunity to succeed, and that those who work hard should be able to get ahead no matter where they started in life.

These beliefs, when put into action, aren't just good for our national character – they're good for our economy. When we create broad-based opportunity and “middle-out” economic growth, our economy does better for everyone.

Oregon's Senator Jeff Merkley is fighting for an Oregon middle class agenda – an agenda that returns to the priorities that helped make the American dream a reality for so many families in the years after World War II.

With a focus on good jobs, quality affordable education, retirement security, and a political and financial system that treats ordinary working Americans fairly, we can ensure the American dream will be there for the next generation.

CREATE GOOD PAYING JOBS

Nothing is more important to growing and strengthening the middle class than creating good-paying jobs. We must make smart investments in infrastructure and support Made in Oregon manufacturing in order to create the good jobs Oregon needs.

Invest In Our Infrastructure

As Jeff travels around Oregon, he has seen firsthand and heard from local leaders about the sad state of our infrastructure: crumbling roads clogged with traffic, water projects that are decades out of date, and unsafe bridges that serve as critical arteries for our commerce. Investing in improvements to these critical systems will make our roads and bridges safer and our commerce more efficient. They will ensure that our economy has the backbone to compete in the global economy. And while building for the future, they will create good paying jobs right now that can never be outsourced. That is why Jeff is committed to investing in our infrastructure.

Agenda Action Items

- Pass the *Water Infrastructure Financing Innovation Act* (WIFIA, S.335) in the U.S. House to provide low-cost loans for local water infrastructure improvements. Jeff authored this bill and championed it to passage in the Senate; if the House also passes this legislation it will become law.
- Create a national infrastructure bank to complement our existing infrastructure funding process through loans and loan guarantees.
- Continue to fund infrastructure improvements to our roads, bridges, railways, and energy and communications systems.

Stand Up For American Manufacturing

If we don't make things in America, we won't have a middle class in America. Nearly a third of Oregon's economy is tied to manufacturing, and manufacturing jobs on average pay better wages and benefits than other jobs that require similar levels of education.

Jeff has signed onto a plan with his Senate colleagues to help create the good paying manufacturing jobs that are so critical to our economy. As chair of the Economic Policy subcommittee, Jeff has held a hearing and meetings on creating manufacturing jobs where he heard from experts and Oregon manufacturers.

Agenda Action Items

Provide access to low cost capital for manufacturers to improve and expand

- Pass Jeff's *Job Creation through Energy Efficient Manufacturing Act* (S.1501) to provide low-cost loans for energy efficiency improvements in manufacturing facilities – creating jobs now and helping manufacturers become more cost efficient in the long term.
- Pass the *Made in America Manufacturing Act* (S.63) to set up a revolving loan fund to help manufacturers expand or establish new manufacturing operations.

Ensure taxpayer dollars go to support American manufacturing

- Fight to include a "Buy American" provision in legislation that spends American tax dollars.

- Close loopholes in current Buy American law, like the one Jeff closed that had allowed foreign steel to be used on the Bay Bridge in San Francisco.

Establish a fair global playing field and crack down on unfair subsidies at home and abroad

- Pass Jeff's Level the Playing Field in Global Trade Act (S.1801) to ensure a fair global playing field for American manufacturers, rather than a "race to the bottom" to produce the cheapest goods by cutting corners on worker pay, workplace safety, and environmental protection.
- Make sure government subsidies in places like China don't put our manufacturers at a disadvantage, by making sure those subsidies are taken into account in trade disputes.
- Close tax loopholes that subsidize companies for sending their jobs overseas.

Support Oregon's Small Businesses

Small businesses are a major source of jobs and a crucial part of Oregon's economy. Jeff has worked hard to support Oregon's small businesses and to make it easier for them to expand. He wrote the Small Business Jump Start Act, which passed in 2010 and allowed small businesses to double their deductions of start-up expenses. He also played a crucial role in expanding small business lending through innovative federal-state partnerships and support for community banks.

Agenda Action Items

- Finalize "crowdfunding" rules, which were created by a law Jeff wrote, to help small businesses and entrepreneurs raise capital on the Internet.
- Renew the *Jump Start Act* that supports entrepreneurs in creating new businesses.

Jobs for Vets

No veteran should face unemployment after coming home from serving our country overseas. Unfortunately, though, current veterans coming home from Iraq and Afghanistan face persistently high rates of unemployment despite the many skills that they have developed during their military service.

Agenda Action Items

- Enact a Veterans Jobs Corps bill to make sure a job can be offered to every returning veteran.
- Support the Yellow Ribbon Reintegration Program to help veterans connect with jobs and training opportunities when they return from deployment.
- Renew tax credits that help private sector employers hire veterans.

Forest Jobs

Jobs in the woods have long contributed to Oregon's economy and middle class, especially in rural communities. Jeff's own father worked as a millwright in Southern Oregon. As Oregon's Senator, Jeff has fought for common sense policies to put Oregonians to work in the woods.

Agenda Action Items

- Reform management of federal forest lands to increase timber production and job creation in forest communities while protecting important forest ecosystems.
- End abuse of the H-2B visa program that has allowed cheap foreign labor to be used even when there are Oregonians ready and willing to work in the woods. Senator Merkley's reforms passed the Senate in 2013 and are awaiting action in the House.

PROVIDING A QUALITY EDUCATION

A quality affordable education is one of the key pathways to the American dream – as Jeff knows from personal experience. Growing up in a blue collar household, Jeff got a strong education in Oregon’s public schools that prepared him to be the first in his family to go on to college. Now, his kids attend the same high school he graduated from, and he’s seen firsthand how class sizes are growing and electives are disappearing.

Pre-K-12 Schools That Prepare Oregon Students For A Global Economy

The United States faces unprecedented competition from abroad. For Oregon’s kids to succeed in a global economy, they need public schools that provide them with world-class preparation and skills to compete on a global stage. That is why Jeff is fighting to provide a quality education for all Oregonians, from before kindergarten through high school.

Make College More Affordable

If we are to maintain the American dream for the next generation, we must invest in ensuring that every Oregon student has access to an affordable college education. Not only has Jeff fought to keep student loan interest rates low, but he has introduced a plan, based off of an Oregon program, to change the way college is funded so students and parents no longer face crushing debt.

Agenda Action Items

- Undo damaging budget cuts that have kicked hundreds of kids off Head Start in Oregon and have threatened funding for K-12 schools.
- Pass the *Strong Start for America’s Children Act* (S.1697) to expand access to pre-K for low- and middle-income children.
- Pass Jeff’s *BUILD CTE Act* (S.1293) to help states bring back career and technical education in middle school and high school.
- Pass Jeff’s *STEM Education for the Global Economy Act* (S.854) to help Oregon students and technology companies compete.

Agenda Action Items

- Change the student loan interest rate formula to keep student loan rates low in the future.
- Require federal student loan programs to be revenue-neutral, so instead of profiting off of student loans, the government reinvests in students.
- Pass the *“Pay It Forward” Guaranteed College Affordability Act* (S.1884) to enable state pilot programs that would implement a tuition-free, Pay It Forward model.

ENSURING A SECURE RETIREMENT FOR MIDDLE CLASS FAMILIES

Medicare and Social Security are compacts that we have made with our seniors to ensure that they can realize the American dream of a healthy and secure retirement. They did their part, paying into the programs for decades while they worked, and now we need to live up to our end of the bargain. Jeff believes that any changes to these programs should make them work better for seniors, not reduce Americans' retirement security.

Protect A Healthy Retirement For Seniors

Medicare is an essential program for ensuring the physical and financial health of our seniors. Jeff has strongly opposed efforts to end the current Medicare system by changing it to a voucher program that shifts costs onto seniors. Changes to Medicare should make our health spending more efficient, not simply shift costs onto the backs of seniors. He will continue to oppose cuts to benefits that would jeopardize a secure middle class retirement for future generations.

Agenda Action Items

- Reject proposals to shift costs to seniors by “voucherizing” Medicare.
- Strengthen the long-term fiscal health of Medicare by cracking down on waste, fraud and abuse; and allowing Medicare to negotiate for drug prices.

Ensure A Secure Retirement For Seniors

Social Security is a lifeline for our seniors. For a majority of seniors, Social Security provides more than 50% of their income. Jeff has strongly opposed efforts to cut benefits by changing the cost-of-living adjustments to a “chained CPI” that doesn't accurately reflect the costs seniors face.

Agenda Action Items

- Reject proposals that would cut benefits with artificially low cost-of-living increases.
- Change the cost-of-living formula so that it more accurately reflects the rising costs seniors face, providing seniors with more money in their pockets.

MAKE WASHINGTON WORK FOR WORKING FAMILIES

It used to be that if you worked hard and played by the rules, you could get ahead. Now it seems like the special interests get to write the rules and rig the game to keep it that way. Working families have been squeezed by declining wages, a financial crisis that cut the legs out from under the economy, and a housing crash that left many families facing foreclosure. Meanwhile, big financial institutions nickel-and-dime them with hidden fees while big companies get Washington to pass sweetheart deals and trade agreements that ship jobs overseas.

To create a strong and growing economy, we should reverse these trends, make Washington work better for working families, and create growth from the middle out instead of hoping it will trickle down.

Promote Economic Fairness

To build a strong economy, we need an America that works for working Americans. Ordinary Americans should be able to provide for themselves and their families by working hard. That means keeping tax rates low for working families, ensuring fair pay for a fair day's work, and providing a safety net to keep the economy moving when times get tough.

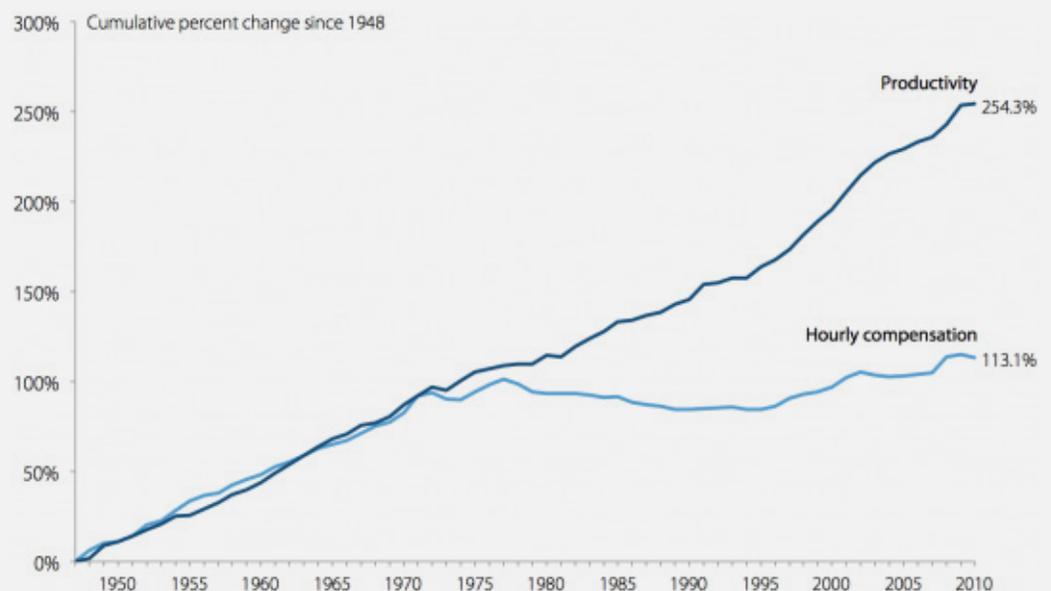
Agenda Action Items

Tax fairness for working families

- Close unproductive corporate tax loopholes and ask the wealthiest to pay their fair share.
- Protect critical tax programs for working families, like the Earned Income Tax Credit.
- Oppose efforts to impose an out-of-state Internet sales tax on hard-working Oregonians.

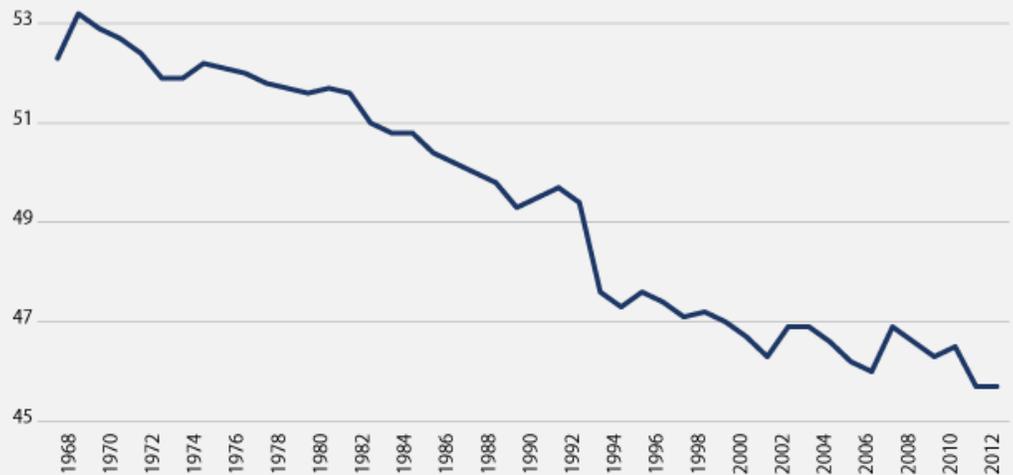
Since the '70s, the middle class has not shared in gains from America's improved productivity.

Growth of real hourly compensation for production/nonsupervisory workers and productivity, 1948–2011



Source: Lawrence Mishel's analysis of unpublished total economy data from Bureau of Labor Statistics, Labor Productivity and Costs program and Bureau of Economic Analysis, National Income and Product Accounts public data series

Share of nation's income going to the middle class has been declining for decades



Sources: U.S. Census Bureau, "Table H-2. Share of Aggregate Income Received by Each Fifth and Top 5 Percent of Households," available at <http://www.census.gov/hhes/www/income/data/historical/household/index.html>.

A fair day's pay for a fair day's work

- Raise the federal minimum wage to at least \$10.10 an hour and index it to inflation.
- Pass the *Paycheck Fairness Act* (S.84) to end pay discrimination against women.

Help Oregon's job seekers

- Pass an extension of long-term unemployment benefits to help job-seeking Oregonians.
- Undo damaging sequestration cuts that have limited the number of unemployed workers helped by Oregon's workforce partnership agencies.

Protecting Consumers From Predatory Practices

Too often, the deck is stacked against ordinary consumers, even when unscrupulous lenders use unfair practices to rip them off. Jeff has fought for laws that create a fairer system for consumers.

After taking on the payday lenders in Oregon, Jeff fought successfully to end the predatory mortgage lending practices that led to the financial crisis, like kickbacks to loan originators and prepayment penalties.

And because pro-consumer reforms so often get bogged down in Congress by special interest lobbying, Jeff fought to create a stand-alone agency, the Consumer Financial Protection Bureau (CFPB), with the sole mission of protecting consumers.

Agenda Action Items

- Pass the *SAFE Lending Act* (S.172) to end Internet payday lending abuses that allow lenders to evade Oregon's ban.
- Pass the *Medical Debt Responsibility Act* (S.160) so that paid or settled medical debts no longer unfairly harm consumers' credit scores.
- Maintain a strong CFPB to stand up for consumers and enforce bans against predatory mortgage and credit card lending practices.

Ending Wall Street Gambling With Main Street Money

After Wall Street's risky bets led to the worst financial crisis since the Great Depression, there was a widespread recognition on Main Street that reforms were needed to put a cop back on the beat and limit financial risk-taking and prevent future crises.

In 2010, Jeff co-authored the “Volcker Rule” to establish a firewall between the banks that consumers and businesses depend on for deposits and lending, and risky, high-stakes trading – essentially preventing Wall Street from putting depositors’ money – and the entire economy – at risk with their bets.

Agenda Action Item

- Ensure regulators stand by strong implementation of the Volcker Rule firewall, making our lending banks serve businesses and consumers, and preventing swing-for-the-fences bets that could cause another financial meltdown.

End Special Interests’ Stranglehold on the Senate

It’s a sad stereotype, but too often it is true: Washington works for special interests that can afford to spend millions of dollars on campaigns, while failing ordinary Americans. Jeff has fought to change the way that Washington does business so special interests have less influence, and the Senate is able to break through the gridlock to get things done for working families.

When Jeff arrived in the Senate in 2009, he found a Senate that was very different from the one he saw as an intern for Oregon’s Senator Hatfield in 1976.

The chamber was paralyzed by obstruction and gridlock. And frequently, this obstruction was used to block laws and nominees that were opposed by special interests: if a lobbyist could find 41 Senators willing to block a good idea, they could ensure that it would die quietly, often before ever reaching the floor of the Senate.

Jeff has led the fight to fix the broken Senate by breaking up the gridlock and making the Senate more responsive to the concerns of working families.

His efforts led to an historic breakthrough in November 2013 that will allow nearly all presidential nominees up-and-down votes – ensuring that we will finally fill jobs that are critical to Wall Street reform, women’s health, workers’ rights, and clean air and water.

Agenda Action Item

- Build on filibuster reforms by ending the secret, silent filibuster on legislation and requiring Senators to hold the floor and talk if they want to block a vote.

Getting Secret Money Out Of Politics

Jeff has been a leading opponent of the *Citizens United* Supreme Court decision that allows unlimited secret cash in elections. In a democracy of, by and for the people it is unacceptable to essentially allow corporations a huge megaphone to drown out the voice of the people in elections. We must reform the role of money in elections – and voters should at the very least know who is funding the attack ads that flood their airwaves.

Agenda Action Items

- Pass the *DISCLOSE Act* (H.R. 148) to end secret corporate money in campaigns.
- Amend the Constitution to overturn the *Citizens United* decision that opened the floodgates of corporate and unlimited campaign spending.
- Require corporations to disclose their political donations to their shareholders.
- Close the loophole that allows political attack groups to masquerade as “social welfare” organizations to keep their donors secret.

MOVING FORWARD: THE OREGON MIDDLE CLASS AGENDA

Over the past several decades, our economy and our political system have worked well for those already at the top, while the majority of working families continue to fall further and further behind.

It won't be easy to reverse these trends, but the hard work ahead is necessary if we are to create a thriving and growing middle class for the next generation.

The pillars of a strong middle class are clear: good-paying jobs, high quality affordable education, broad-based retirement security, and an economy and a political system that give a fair shot to working families.

The question moving forward is not what our agenda should be – it is whether we have the political will to put a true middle class agenda into action.



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