



TOM LATHAM - TRUSTED LEADERSHIP FOR IOWA

**Report on the 110th Congress
Economic Accomplishments of
Congressman Tom Latham**

Paid for by Latham for Congress

Small Business Issues

Over 65% of the nation's new jobs are created by small businesses. And, in Iowa almost 98% of employers are small businesses. Congressman Latham believes that is important that Congress do everything possible to support the businesses on Iowa's main streets.

Small Business Legislation Authored by Congressman Latham –

H.R. 731 - The National Small Business Regulatory Assistance Act –

Congressman Latham introduced this legislation to level the current uneven playing field by providing regulatory compliance assistance through Small Business Development Centers (SBDCs). While SBDCs generally assist small businesses with financial, management and marketing activities, this legislation would create a pilot program through which SBDCs would provide free, confidential counseling on regulatory compliance and help small businesses gain access to regulatory information and resources.

H.R. 6699 - Small Business Health Plans (SBHPs).

Congressman Latham has authored this legislation to allow small businesses to join together, nationwide, to negotiate for lower health insurance premiums, saving them thousands of dollars each year. Three out of every four small business employees would pay lower health insurance premiums under this bill than under current law, and many previously uninsured working Americans would receive coverage. Furthermore, according to the Congressional Budget Office, federal and state Medicaid spending would decline by nearly \$1.4 billion, as more employers would be able to provide health coverage.

Key Small Business Legislation Supported by Congressman Latham –

H.R. 989 - Innocent Sellers Fairness Act

This legislation establishes that sellers should only be held responsible in proportion to their wrongdoing and frees sellers from liability when they have done nothing wrong. The activity must be negligent and damages must be limited to those directly caused by the activity.

H.R. 3660 - Equity for Our Nation's Self-Employed Act

This legislation cosponsored by Congressman Latham seeks to allow self-employed individuals to deduct health insurance costs in computing the tax on self-employment income, thus giving them the same tax treatment that other businesses receive.

Small Business Awards received by Congressman Latham:

Guardian of Small Business – National Federation of Independent Business – , Congress

Spirit of Enterprise Award – U.S. Chamber of Commerce – , 109th Congress

Champion of the Merit Shop – Associated Builders and Contractors – , Congress

Thomas Jefferson Award – International Foodservice Distributors Association – 2008 and 2007

Endorsement for re-election in 2008 by the U.S. Chamber of Commerce

Endorsement for re-election in 2008 by the National Federation of Independent Business (NFIB)

Economic Development Initiatives

Congressman Latham Secured Economic Development Initiatives –

City of Humboldt – Frit Industries Brownfield Redevelopment

Successfully assisted, through federal funding, the City of Humboldt in its efforts to demolish and grade the former plant site in order to facilitate redevelopment. The 55 acre site will become a business park open to new industry supporting area employment.

Iowa Central Community College - Advanced Manufacturing Training Center

– Congressman Latham obtained funding to assist in the purchase of a mobile lab, supplies, and to pay for salaries at the center. This assistance will help the center in meeting its goal to provide a link between Iowa Central Community College and the area manufacturing industries.

North Iowa Area Community College - Regional Economic Development Organization

– Funds secured by Congressman Latham will assist the regional economic development organization accomplish its mission of marketing and recruitment of business and industry.

Midwest Center for Entrepreneurial Agriculture/Rural Entrepreneurship Incubator – Congressman Latham obtained funding for a project that will provide entrepreneurs with business development skills through two new business incubators.

Iowa Valley Community College District Education and Training Center: The funding secured by Congressman Latham will be used to expand vocational and job skill training opportunities in Marshalltown.

Tax Issues

Congressman Latham understands Iowan's frustrations with federal income taxes and firmly believes the federal government must simplify the tax code. Over the years, the federal income tax has grown far too complex and open to abuse. The overwhelming majority of Americans want to pay their fair share toward the costs of government. However, this spirit has been undermined by decades of wasteful spending in Washington and a tax code that rewards creative avoidance of taxes.

Tax Legislation Supported by Congressman Latham –

Supported a permanent repeal of the Estate Tax (H.R. 2380- the Death Tax Repeal Permanency Act)

Advocated for major reform of the nation's overly complicated tax code (H.R. 510 - the Tax Code Termination Act) This legislation seeks to eliminate the Internal Revenue Code and requires that Congress replace it with a new simplified federal tax system by the year 2010. H.R. 510 states that the new federal tax system should incorporate the following seven ideals: apply a low rate to all Americans; provide tax relief for working Americans; protect the rights of taxpayers; reduce tax collection abuses; eliminate the bias against savings and investment; promote economic growth and job creation and not penalize marriage or families.

HR 3457, the Free File Enhancement Act

This legislation seeks to require the Secretary of the Treasury to enter into an agreement with the Free File Alliance to provide all individual taxpayers with the ability to electronically prepare and file their Federal income tax returns through the Internal Revenue Service website at no cost to taxpayers.

Tax Award received by Congressman Latham:

Hero of the Taxpayer – Americans for Tax Reform – 2007

Wall Street Bailout

Congressman Latham stood with Main Street Iowa with his no votes on two recent measures - H.R. 3997 and H.R. 1424 - both named the Emergency Economic Stabilization Act.

Each measure was based on a plan proposed by the Bush Administration that would give the U.S. Secretary of the Treasury unprecedented access to \$700 billion in American taxpayer funds to purchase troubled assets in an effort to stabilize the nation's credit markets.

On Monday, September 29, 2008, Congressman Latham voted against H.R. 3997, which failed by a vote of 205-228. Then, on Friday, October 3, 2008, Congressman Latham also voted against H.R. 1424, which was ultimately approved in the House by a vote of 263-171. This bill, which was passed earlier in the week by the U.S. Senate, was then signed into law by President Bush on October 3rd.

Latham believes that it is clear that action is needed to protect our economy. However, these bills were not the right actions to take in Latham's judgment. He stood on principle and voted against them.

Congressman Latham has said that it is his hope that the Administration, along with the jurisdictional committees of the House and Senate will work to find solutions based on principles that are more responsible to the taxpayer, and contain more than just cursory oversight over those who will carry out any stabilization program.

One constituent's phone call summed up Latham's frustrations with these bills, the frustrations of Iowans, and the overwhelming majority of people across this country. She said, "The people out here in the heartland see this bill and bailout as a result of Washington talking to Washington – and not talking and listening to the real people beyond the beltway."

Latham believes the bailout measures were poorly written and lacked the appropriate oversight necessary for such an enormous expenditure of taxpayer dollars. Unfortunately, the Bush Administration's desire to rush the bill through congress, mixed with partisan bickering, distorted what should have been a thoughtful and orderly legislative process.

Consequently, alternative proposals were not allowed consideration, debate, or a vote by Congress.

The \$700 billion price tag was chosen without any proper justification. When asked about why the figure of \$700 billion was chosen, a spokesperson for the Treasury Department responded in a news article last week that the Department came up with it because those in charge wanted "a really large number". Latham feels strongly that any proposal that costs upwards of \$2,000 for very man, woman and child in the United States, deserves a much stronger justification and explanation.

When he voted against the first proposal, Congressman Latham did so with the hope that Congress would craft a more acceptable bill. His hopes were dashed after the U.S. Senate not only embraced the same bill the House had earlier rejected, but made the bill more expensive by adding provisions unrelated to the credit crisis.

Prior to the vote on the Senate-revised measure, Latham, along with some other members, proposed an alternative plan that would have protected the taxpayer and limited spending until it was proven that the Bush Administration's plan was actually working, and that Wall Street was not simply taking advantage of government largesse. He felt, strongly, that a \$700 billion expenditure, one our government can hardly afford, deserved more deliberation and the inclusion of alternative ideas.

Our nation's economic health is critically important, so congress has a responsibility to craft legislation of great economic consequence with great care. That was not accomplished in this situation; as such, Tom believes that Congress will have to revisit this new law when it reconvenes following the November elections and in the Congress in January of 2009.

2008 Midwest Floods

Severe storms and tornadoes significantly impacted the State of Iowa in late May and early June of 2008. The monetary damages to public and personal property were catastrophic. More importantly, the personal tragedies in people's lives cannot be calculated.

Congressman Latham worked with the House Appropriations Committee and others in the Iowa delegation in seeking disaster funding assistance across a broad scale of categories, including: Agriculture, Economic Development Assistance, Small Business Administration disaster assistance, FEMA assistance, Corps of Engineers funding and HUD Community Development Block Grant funding.

Early on, in the Iraq War Supplemental, a \$2.65B Disaster Assistance title was added. Congressman Latham worked with his colleagues to add funds in

critical areas, including through his amendment to add funding for the FEMA Community Development Loan (CDL) Program. This program allows for reimbursements (for businesses and local governments) to account for certain lost revenues in natural disaster situations. For example, local utilities can obtain a percentage of lost revenues when the utility is not operating due to incapacity. This program is very important for small, locally-owned utilities and businesses. Latham also saw to it that the CDL program was given another \$102M in the most recent Disaster Supplemental passed in late September.