LOBBY VISIT INFORMATION

June 14-15, 2016

CWA opposes the Trans Pacific Partnership (TPP). CWA believes that contrary to rhetoric, the TPP is a continuation of the trade policies of the last two decades that have failed workers here at home and around the world. They have depressed our wages and benefits. They have not protected our global environment or provided adequate protections for consumers. Meanwhile, they have provided multi-national corporations with new legal avenues to attack democratically enacted laws and regulations. The TPP is a continuation of those policies.

- The TPP will hurt vital sectors of the U.S. economy with further job losses. In fact, the ITC report recently released …..
- The TPP will allow countries with terrible labor records like Vietnam, Mexio, Malaysia and Brunei to benefit from the TPP before they show any real improvements in labor standards.
- These countries will be able to get the benefits of the TPP before they are in compliance with the TPP.
- The TPP does nothing to address the most important barrier that U.S. exports face – the manipulation of currency by foreign governments.
- Recent studies show that currency manipulation making their goods cheaper, making it harder for US companies to compete, has cost US workers between 1 million and five million jobs.
- There are no provisions at all in the TPP to address currency manipulation, meaning any tariff cuts on US exports will be negated by currency manipulation – while we lower tariffs on their goods coming into the US.
- The TPP will strengthen China's ability to access the U.S. market, not contain them.
- The TPP contains provisions that allow for cars and trucks to be imported to the US tariff-free even if the majority of their value was manufactured in China.
- This ensures that even more goods illegally subsidized by the Chinese Government will be imported to the US under the TPP.
- The TPP contains the dangerous ISDS system that allows corporations to challenge our laws if they impact their profits.
- Instead of eliminating or fixing the ISDS system, which has been used by foreign corporations to overturn protections for workers, health, safety and the environment.

Financial Reforms and Tax Fairness

CWA has joined with over 20 national organizations to push for further reforms of our financial sector and to stop the taxpayer subsidies for the wealthiest and those that engage in risky and speculative behavior on Wall Street.

Our campaign is pushing for 5 major reforms.

1. End tax evasion by Wall Street Money Managers by closing the "carried interest" loophole.
2. Stop the tax subsidization of excessive executive compensation by closing the CEO bonus loophole.
3. Make Wall Street pay their fair share of taxes by enacting a Wall Street Speculation Tax
4. End "too big to fail" by making banks smaller, simpler and safer
5. Expand access to consumer banking services through postal banking and end predatory lending.

Today, we are asking you to take action now to support two pieces of tax fairness legislation, the "Stop Subsidizing Multimillion Dollar Corporate Bonuses Act" and the "Carried Interest Fairness Act".

"Stop Subsidizing Multimillion Dollar Corporate Bonuses Act" HR 2103/S. 1127

- Under tax law, the more corporations pay their executives, the less they pay in federal taxes.
- A loophole allows deduction of unlimited amounts of compensation as long as the pay is "performance based".
- This has led to explosion in executive compensation in the form of stock options and performance shares.
- This loophole allows CEOs to get rich while also boosting Wall Street profits.
- Taxpayers should not be subsidizing massive sums for CEO bonuses, which is what is happening by allowing corporations to deduct this pay from their taxes.
- Eliminating the loophole would help prevent risky Wall Street behavior. Experts have found that pay relying on "performance pay" encourages executives to focus on boosting short term share prices at the expense of long term value of the company.
- Ending the loophole would raise significant revenue in tight budgetary times. The Joint Committee on Taxation estimates that over 10 years, eliminating the loophole would generate $50 billion in revenue.
- 63% of the American public supports closing this loophole.

"Carried Interest Fairness Act" HR 2889/S 1689

- Wall Street privilege is exemplified by this tax loophole which allows hedge fund managers to pay a 20 percent tax rate on their income, rather than the 39.6% rate ordinary income rate that they would normally have to pay.
- Some of the wealthiest Americans pay a much lower tax rate than millions of workers like me.
- Many leading tax experts from both parties agree that investment fund manager's compensation for their work should not be treated as "capital gains" and taxed at a normal rate.

- The top 25 hedge fund managers earned a total of $12 billion in 2015.
- Closing this oversight and egregious tax loophole would generate $15.6 billion over 10 years according to the Joint Committee on Taxation.
- 68% of the public opposes this loophole.
- Republican supporters of closing this loophole include Donald Trump, Jeb Bush and former Ways and Means Chairman Dave Camp.