Trade: We’ve Heard It All Before—and We Know Better

We’ve come a long way since the recession of 2007, but many of Oregon’s businesses and industries are still on the road to recovery. However, throughout our nation’s recovery, President Obama has insisted on moving ahead with the same failed trade policies that Presidents Clinton and Bush pushed through—the North American Free Trade Deal (NAFTA) and other trade deals that benefitted multinational corporations but lost our nation millions of family-wage manufacturing jobs.

Supporters of the TPP may believe that a deal crafted in the image of failed trade deals of the past 20 years will benefit the American economy. Oregonians have heard it all before and we know better.

The way to bring stable, family-wage jobs back to Oregon is not through so-called ‘free’ trade deals but rather through commonsense policies that invest in American infrastructure and manufacturing and incentivize businesses to stay and grow in America.

A RAW DEAL FOR AMERICA

Before he leaves office in January, President Obama will try to push through the TPP—a massive trade deal including 12 nations and covering 40 percent of the global economy. Much like NAFTA and the U.S.-Korea Free Trade Agreement before it, I believe that this deal will send what remains of our nation’s good-paying manufacturing jobs overseas to countries who exploit cheap labor and lack consumer and environmental protection laws, such as Vietnam and Malaysia.

The TPP builds upon the same failed policies of NAFTA and the US-Korea Free Trade deal but expands them even further.

The history of those deals should be enough to convince their supporters that a new path is needed.
Transportation is a part of our way of life. To get to work, school and the grocery store, many Oregonians traverse highways, bridges, tunnels, and sometimes mountain passes. We navigate I-5 freight traffic or Highway 101 RV traffic. In our cities we use bus systems and bike lanes to help stem traffic congestion and provide other travel options. No matter where we are headed, a strong transportation network should be in place to get us there.

Our transportation needs are huge. The American Society of Civil Engineers (ASCE) reports that approximately one-third of America’s roads are in “poor or mediocre condition,” and over 140,000 of our bridges are structurally deficient or functionally obsolete.

The Department of Transportation estimates that it will cost $86 billion to bring the nation’s rail and bus transit systems into a state of good repair. We can and must do better.

In December 2015, Congress was able to set aside partisan dysfunction to pass comprehensive, long-term surface transportation legislation that will create family-wage jobs, boost economic competitiveness, and begin to address the trillion dollar backlog of transportation projects.

As the top Democrat on the House Committee on Transportation and Infrastructure, I was instrumental in drafting and passing the legislation, called the Fixing America’s Surface Transportation Act of 2016 (The FAST Act).

Back in 2005, I successfully negotiated a change in the highway funding formula and as a result, Oregon now receives more in gas tax dollars than it contributes to the Federal Highway Trust Fund. I was able to continue these benefits in the FAST Act. According to the Oregon Department of Transportation, this change will bring an extra $325 million to Oregon over the life of the FAST Act.

Due to my efforts on the 2016 FAST Act, over the next five years Oregon will receive $2.6 billion in federal highway funding to rebuild and replace our failing bridges and highways, and over $500 million in federal transit funding to fix and expand our transit systems. The Council of Economic Advisers estimates that this level of investment will support over 40,000 jobs.

This funding will help rebuild Oregon’s structurally-deficient bridges and create jobs for small businesses, contractors and suppliers, steelworkers, engineers, architects and others. Investments in Oregon’s transit systems mean work for high-tech engineering companies and American manufacturing industries that have been decimated by outsourcing.

We cannot continue to be competitive in the world economy if we ship all our jobs overseas and buy all our products from China. That’s why I have fought to boost Buy America requirements in public transportation projects. The FAST Act included my provision to strengthen Buy America requirements and raise the domestic content threshold of transit buses and rail cars from 60 percent to 70 percent.

The FAST Act will help improve the movement of goods.

Rep. DeFazio visited DR Johnson Lumber in Riddle, OR, to discuss cross-laminated timber and other innovative technologies that can drive the Oregon economy.

As the Ranking Member of the House Committee on Transportation and Infrastructure, I have worked hard to ensure that Congress upholds its commitment to invest in the critical infrastructure that serves our coastal communities. Here are three major victories that will help boost coastal economies and sustain thousands of jobs.

Ensuring Dredging of Oregon’s Small Ports
In May, the Committee on Transportation and Infrastructure passed my provision that guarantees small ports will permanently receive a minimum of $90 million annually and no less than 10 percent of the Army Corps of Engineers’ funding for critical infrastructure needs like dredging. For years, Congress has been diverting taxes collected for harbor maintenance to other purposes. I secured a provision in this legislation that says these taxes can only be used for their intended purpose—harbor maintenance.

Securing Funding for Oregon’s Coastal Ports
Earlier this year, I helped to secure an additional $9 million from the Army Corps of Engineers to perform maintenance work and dredge nine Oregon ports, including the Ports of Siuslaw, Umpqua, Bandon, Gold Beach, Brookings Harbor, and Port Orford. These investments will help ensure Oregon’s small ports stay open for business and boost local economies.

Saving the Newport Coast Guard Air Station
After a nearly three-year fight, I was able to pass legislation that guarantees Newport’s Coast Guard helicopter will remain in operation for at least another two years and likely much longer. Between the cold water and routine storms off our coasts, it’s essential that the Coast Guard maintains a robust search-and-rescue presence in order to protect our commercial boats and the large seasonal recreational community that visits the coast. I will continue to fight for legislation that creates and sustains jobs on the coast and throughout the state, makes conditions safer for Oregon’s fishing and recreation industries, and boosts our state and nation’s economic competitiveness.

Update on Our Coastal Communities

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It’s been four years since the US-Korea Free Trade deal, which I opposed, first went into effect. The TPP and the Korea deal are so similar that many of the same provisions from the Korea deal are actually included in the TPP’s text.

President Obama’s administration worked to gather support for the deal with the same old arguments – more exports, more jobs, lower unemployment and increased opportunities.

So what has the U.S. gained from the Korea deal?

Since the Korea Free Trade Agreement was enacted in 2012, our trade deficit with Korea has ballooned from $16 billion to more than $28 billion, according to the Department of Commerce. Meanwhile, U.S. exports to Korea have declined 9 percent, or $4.4 billion. It’s been estimated that the U.S. trade deficit with Korea equates to the loss of more than 106,000 American jobs since 2012. The TPP will lead to even further job loss as our trade deficit is projected to increase with many of the TPP countries across several sectors of our economy.

THE WORST PROVISION
As damaging as the Trans-Pacific Partnership will be, in my opinion the most dangerous provision is called investor-state dispute settlement (ISDS).

The TPP would set up a private court in which foreign and multi-national corporations could sue the United States for any loss of profits or potential profits from their investments here. This means they can launch a direct attack on our labor laws, our environmental laws, and our consumer protection laws.

The U.S. recently lost a court battle to Mexico and Canada under the much-weaker investor protections in the World Trade Organization (WTO). The decision required us to either pay these countries more than $1 billion a year in penalties or remove Country-of-Origin labeling from our meat. Subsequently, Congress repealed the law requiring Country-Of-Origin labelling on meat products sold in the U.S.

That’s outrageous—and it would be even worse under the TPP.

The ISDS provision would give foreign corporations the ability to sue and threaten our nation over our environmental and consumer safety laws.

For example, Oregon’s sustainable shrimp industry would be threatened by cheap shrimp grown in polluted fish farms in Asia, and under the meat labeling precedent no Country of Origin labels would be allowed.

WHAT’S NEXT?
I fully expect that the President and House and Senate Leaders will try and jam the TPP through in a lame duck session of Congress. I’m ready for this fight.

I believe that, for the first time in decades, we have an excellent opportunity to defeat a trade deal that prioritizes corporations over people, and instead push for a commonsense trade policy that brings jobs home to America.

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Each of our nation’s veterans has answered the call of duty and put their life on the line to defend our country. The last thing that they should face is long wait times, delayed appointments, and inadequate care for injuries they sustained in the line of duty.

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After years of bureaucratic delays and mismanagement, I was honored to help open a state-of-the-art VA Medical Center in Eugene in January for which I secured funding for eight years ago. The 120,000 square foot facility will provide the highest level of care and new specialty services for southwestern Oregon’s veterans.

My bill, H.R. 4134, the Veterans Health Care Staffing Improvement Act, is bipartisan legislation that would help increase staffing levels so veterans receive timely, quality health care.

The bill makes common sense reforms to VA policies and makes it easier to hire medical professionals who have recently left active duty. By speeding up the hiring process, more doctors and nurses can be on the job more quickly caring for veterans.

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I strongly supported legislation passed in 2014 that allows veterans who have to wait more than 30 days to schedule an appointment with a VA health care facility to instead receive care from a non-VA provider. While Congress must do more to improve wait times at VA facilities, this option allows veterans to receive much-needed care more quickly.

Strengthening Social Security

Although millions of seniors depend on Social Security benefits, without reforms, the program will be unable to pay its recipients full benefits starting as early as 2034. This is unacceptable.

The Social Security Full Benefits Act

If all working Americans paid the same percentage of their income into Social Security, the fund would be able to pay out fully-guaranteed benefits for the next 75 years. Currently income over $118,500 is exempt from Social Security taxes; I’ve introduced legislation that would close this loophole and require wealthy Americans to pay Social Security taxes at the same rate as middle-income earners or minimum-wage workers.

If the wealthiest six percent paid their fair share, Social Security would

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Caring for Those Who Have Served

Rep. DeFazio talks with a local veteran at the opening of the Eugene VA Medical Center. Rep. DeFazio secured millions in federal funding to build the new facility.
Peter is hosting a town hall meeting near you!

How to reach me:

For the latest information on my town hall meeting schedule, visit www.defazio.house.gov or follow me on Twitter @RepPeterDeFazio.

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goods by providing $10.8 billion in new funding for freight and nationally significant projects.

We can’t sit by and watch as our competitors around the globe rapidly upgrade their transportation networks; we must adapt to the changing demands of a current global economy.

The FAST Act was a good start, but Congress needs to get serious and answer the tough question of how to sustain infrastructure investments for future generations. I’ve proposed a long-term solution that would abolish the retail gas tax, and replace it with a simple fee levied on each barrel of oil processed into diesel fuel or gasoline, indexed to inflation. Economists with the non-profit RAND Corporation, argue that this fee would force OPEC, oil producers, and refiners to share the financial burden of rebuilding our roads, bridges, and transit systems.

Congress must shore up the Highway Trust Fund in a sustainable way and I will fight to ensure that my reasonable barrel fee option is on the table.

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be strong and stable for years to come.

For yet another year, in 2016 seniors did not receive a cost-of-living adjustment (COLA) in their Social Security benefits. Currently, the Social Security COLA is based on the cost of a basket of durable consumer goods for the average consumer—including items seniors do not regularly purchase—and gives little weight to prescription drugs and medical care.

I’ve introduced legislation that would change the formula for determining annual COLAs to one that takes into account the cost of goods that are a big part of seniors’ budgets, such as prescription drugs and medical care and necessities like utilities and housing costs.

If my legislation were to become law, COLA payments would better reflect the true cost of living that seniors in Oregon face, and would provide them the benefits they need to have a secure retirement.

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