

NATIONAL

Top 7 reasons the Republican tax bill is bad for working people

The House GOP is pushing an unpopular plan to slash taxes for the rich by cutting services and tax breaks for working families. America's labor movement will fight every attempt to give preference to millionaires and billionaires and hand working people the tab. Here are the top ways the Republican tax bill will hurt working people:

- 1. This bill is a job killer.** The GOP tax bill would give companies a huge tax break for outsourcing. U.S. taxes on offshore profits would be eliminated, giving big corporations even more incentive to move jobs offshore.
- 2. Republicans are proposing to (partially) pay for tax cuts with drastic cuts to Medicaid, Medicare and education.** The GOP budget includes \$5 trillion in budget cuts, including \$1.5 trillion in cuts to Medicaid and Medicare, an increase in the Medicare eligibility age from 65 to 67, and an end to

Medicare's guarantee of health coverage.

- 3. But the GOP tax bill still won't be paid for, so we can expect Republicans to demand more budget cuts that hurt working people in the future.** The Republican budget allows for \$1.5 trillion in tax cuts that are not paid for in the first decade, and these tax cuts are structured to cost even more in future decades. First the Wall Street millionaires throw themselves a party, then they stick the rest of us with the tab.
- 4. The GOP tax bill would increase taxes on many middle-class families, and most of its tax breaks would go to the top 1%.** According to independent analysis of the previous version of the GOP tax plan, 30% of households making between \$50,000 and \$150,000 would pay more in taxes, while the richest 1% would walk away with 80% of the tax breaks. Republicans have made some adjustments to their tax bill, but it still is heavily weighted toward the top.

- 5. The GOP tax bill would punish states that make the kind of investments that create good jobs.** Republicans are proposing to repeal the deduction for state and local income taxes, making it harder for states to raise enough money to invest in high-quality education, infrastructure and good jobs.
- 6. The GOP tax bill would tax long-term care for seniors and people with disabilities.** Eliminating the tax deduction for medical expenses would force many middle-class Americans who are chronically ill to pay thousands more in taxes each year and spend down their resources to qualify for Medicaid, and would prevent millions of Americans from deducting out-of-pocket medical or dental expenses from their taxes.
- 7. The GOP tax bill would kill construction jobs.** Limiting the mortgage interest deduction at \$500,000 would discourage construction of new houses.

— National AFL-CIO

Senate tax bill has same flaws as House

It increases deficits and tilts heavily toward the wealthy

By Sharon Parrott
Center on Budget and Policy Priorities

The Senate Finance Committee tax bill, like the Republican tax framework released in September and the House Ways and Means Committee tax bill, would drive up deficits by \$1.5 trillion over the next decade and give very large tax cuts to the wealthiest households and profitable corporations, but only token help to millions of low-income working families.

The core of the bill is a large corporate tax cut that would overwhelmingly benefit wealthy households, and an estate tax cut worth \$4.4 million (for estates from couples) for the nation's very largest estates. These tax cuts are so costly that they require offsets like removing the tax deduction for state and local taxes — in order to comply with the limitation that the tax cuts only increase deficits by \$1.5 trillion over the decade. They leave little room for meaningful help to low- and moderate-income families.

Even a provision touted as targeting working families — an expansion of the Child Tax

The Republican Two-Step Fiscal Agenda

Step 1: Cut taxes for the high-income households now, driving up deficits

House and Senate tax bills would increase deficits by \$1.5 trillion and give largest tax cuts to the top-earning households and profitable corporations.

Step 2: Use higher deficits to justify cuts in critical programs for workers, such as

- Job training
- Medicaid
- College aid
- Refundable tax credits

Credit — would do far more for high-income families than low- and moderate-income families. Some 10 million children in low-income working families would get \$75 or less, while families with incomes between \$150,000 and \$1 million would become newly eligible for the credit. A married couple with two children earning \$1 million would newly receive a full \$3,300 Child Tax Credit, on top of large additional tax cuts from other provisions.

Creating massive deficits

The Senate bill would also increase deficits by \$1.5 trillion over the coming decade. When fully in effect, it would increase deficits by more than \$150 billion per year, in part because it phases in certain costly provisions, including the cut in the corporate rate, to reduce its cost over the first decade. In 2027, for

example, the bill would cost \$217 billion.

Under the rules governing the legislative process the tax bill is using — called “reconciliation” — the bill cannot increase deficits on paper in the decades after 2027. Ultimately, the Senate will likely use a familiar gimmick to mask the bill's true cost after 2027: schedule some or all of the tax cuts to expire so they appear to have no cost after 2027.

Policymakers used this same “sunsetting” gimmick to make the 2001 Bush tax cuts appear not to increase deficits after the initial decade. When the tax cuts neared expiration, policymakers made 82 percent of them permanent, and higher deficits resulted. The cost of the Bush tax cuts from 2001-2018 (as amended by later legislation) today accounts for about one-third of the federal debt.

Who's on our side?

By Tom Chamberlain Oregon AFL-CIO President



Making the labor movement safe for all workers

The face of the American labor movement is changing. Half of our nation's union members are women and almost a quarter are people of color. The labor movement must be a safe bastion for all workers: women, people of color, LGBTQ workers and, yes, white men. While public support for unions is at a two-decade high, we still are stereotyped. How many times have we read stories about a union leader misusing union (members') funds? Thankfully, such stories are few and far between. Nonetheless, they reinforce the stereotype that unfairly paints all union leaders with a brush of corruption.

A Nov. 7 story in *Bloomberg News* identified high-ranking union officials, one at the AFL-CIO and another at Service Employees International Union, who used positions of power to pressure women subordinates for sexual favors. I can think of no greater sin than misusing a position of power to take advantage of workers. Not only does it send a message of corruption, it is an abuse of power reinforcing a stereotype of union leadership as “good ol' boys.” More importantly, it sends a message to women that they are not welcome, that our movement is not a safe place for them, that their input, efforts, and leadership are less than their male counterparts.

The actions of two “good ol' boys” who abused their power distracts from the efforts of labor leaders and organizations who have focused on addressing gender and racial equity for the last decade. Progressive union leaders know it is impossible to move forward as a movement until gender and racial justice are ingrained in our strategic plans, trainings, and in all facets of our movement. A recent article by Ana Avendaño, Vice President of Labor Engagement at United Way, and Linda Seabrook, general counsel for Futures Without Violence, provides a road map for taking the next step in gender justice:

- 1. Recognize that sexual harassment is a workers' rights issue.** Sexual harassment weakens unions. When unions don't take harassment seriously, they send a message to women that the union is not the place for them.
- 2. Make sure that the union's constitution and collectively bargained agreements contain guarantees against sexual harassment and retaliation.** Include such provisions in collective bargaining agreements.
- 3. Address member-on-member harassment.**
- 4. Create a union culture that connects union values and behavior and welcomes women as equal partners in the struggle for social and economic justice.**
- 5. Focus on prevention.** Unions should work with members, leaders, and staff to ensure that they have a clear sense of what conduct is inappropriate and why, and to foster a culture that believes and respects women.
- 6. Encourage men—especially male leaders—to step up, speak out, and work to change the culture.** Men have an important role to play in showing other men that harassment is wrong.
- 7. Create channels for members, union staff and others to report harassment quickly, before it escalates, without having to resort to formal mechanisms.** Most women who suffer sexual harassment are not interested in filing complaints or engaging in legal battles.
- 8. Train stewards in trauma-informed practices on handling claims of harassment.** Part of any sexual harassment prevention and response training should include education on trauma, responses to trauma, and best practices to integrate knowledge about trauma into policies and procedures.
- 9. Protect victims who file charges of harassment against retaliation.** Fear of losing her job or demotion are among the main reasons victims don't report sexual harassment or violence.
- 10. Give women a voice in the grievance process, and include them as active participants.** Complaints of sexual harassment often go into a deep, dark Human Resources hole.

The Oregon AFL-CIO is a 138,000-member-strong federation of labor unions.