

U.S. HOUSE OF REPRESENTATIVES  
COMMITTEE ON THE JUDICIARY

Forum On the Impact Of Budget Proposals On Justice,  
Job Creation, Public Safety, and Constitutional Rights

Moderated by: The Honorable John Conyers, Jr.

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## C O N T E N T S

	PAGE
OPENING STATEMENT OF JOHN CONYERS, JR. (TAB 1)	4
STATEMENT OF LAURA MURPHY (Tab 2)	8
STATEMENT OF HILARY SHELTON (Tab 3)	14
STATEMENT OF ERIC RODRIGUEZ	23
STATEMENT OF TRAVIS PLUNKETT (Tab 4)	27
STATEMENT OF EMILY STEWART	34
STATEMENT OF PAUL HELMKE	43
STATEMENT OF TARA ANDREWS	52
STATEMENT OF DON MURRAY	58
STATEMENT OF DON SAUNDERS (Tab 5)	67
STATEMENT OF PLEASANT BRODNAX, III	75
STATEMENT OF SUSAN KREHBIEL (Tab 6)	78
STATEMENT OF KIRSTEN ZEWERS (Tab 7)	85
STATEMENT OF DAMON MOGLEN (Tab 8)	92
STATEMENT OF DAVID RABIN (Tab 9)	103
STATEMENT OF ARLEY JOHNSON (Tab 10)	110

## P R O C E E D I N G S

## OPENING STATEMENT

1 MR. CONYERS: Good morning, everyone. I'm so  
2 glad that we're all gathered here today in 2237 to  
3 analyze the impacts of H.R. 1, the first bill of the  
4 112th Congress. It was a bill that took five days and  
5 five nights. There were 583 amendments, preprinted in  
6 the Congressional Record for consideration.  
7

8 Of those 583, 162 were considered. 67 of  
9 those amendments were passed and on February the 19th  
10 at approximately 4:45 a.m. by a vote of 235 to 189, the  
11 bill was passed. And so we gather here today to review  
12 what this bill means, what its potential is. And I  
13 wanted to thank attorney Susan Jensen and the team that  
14 have worked with me on this.  
15

16 We have considered several areas for review  
17 and scrutiny. The first, of course, is how H.R. 1  
18 impacts the Department of Justice, and we've  
19 conveniently broken that down into exactly 10 sections.

20 Well, I guess I will name that: Community Oriented  
21 Policing Services, the COPS program, the Federal Bureau  
22 of Investigation, the United States Marshal Service,

1 Law Enforcement Wireless Communications, the Department  
2 of Justice General Legal Activities, State and Local  
3 Enforcement Assistance Programs, the National Drug  
4 Intelligence Center, National Instant Criminal  
5 Background Check System, the Office of Justice  
6 Programs, Juvenile Justice Programs, and Reporting  
7 Multiple Sales of Rifles and Shotguns.

8 My distinguished witnesses, I again thank you  
9 for being here with me, because there may be others  
10 that you may want to add to this, and we would welcome  
11 any detail that you may provide. The next area of  
12 consideration in the memo is the impact of H.R. 1 on  
13 Homeland Security Programs and Immigration. The next  
14 area for our concern is Impacts on the Federal  
15 Judiciary, in which there are a number of issues that  
16 I'll just mention here.

17 Well, first of all, the federal court system  
18 itself is impacted. Then the civil rights and civil  
19 liberties programs in the bill and in our law, which  
20 would consist of the Legal Services Corporation,  
21 Privacy and Civil Liberties Oversight Board, the  
22 periodic Census and related programs, the Election

1 Assistance Commission, and Federal Commission, and  
2 Family Planning, Tit. 10. And, finally, Access To  
3 Justice Act, the Equal Access To Justice Act.

4           The next part that we've examined is how H.R.  
5 1 impacts on job creation, and, again, we start off  
6 with a judiciary concern of the United States Patent  
7 and Trademark Office and what impact that has. And  
8 then we examine other important federal programs,  
9 starting with the EPA, the Environmental Protection  
10 Agency. And then climate change research, the EPA  
11 Brownfields Program, the National Park Service, Energy  
12 Efficiency and Renewable Energy, and then, of course,  
13 regulations, the implementation of existing and future  
14 regulations.

15           What we have added, and I thank Dr. Rabin for  
16 becoming additional witness is obvious effects,  
17 healthcare reform and the S-Chip Act that preceded  
18 that. And then we've noted some other considerations  
19 that you may feel free to bring up in the course of  
20 your discussions: the debt ceiling, foreclosures,  
21 housing foreclosures, education, the state cuts,  
22 collective bargaining, and finally, small businesses.

1 This is, of course, being appropriately recorded by  
2 audio and video, and any statements or papers or  
3 related documents that you'd like inserted into the  
4 record will be acknowledged.

5 I want to thank the Chairman of the House  
6 Judiciary Committee, Lamar Smith of Texas, for making  
7 this forum possible and for cooperating with us so that  
8 we could have this hearing today. I am in the process  
9 of inviting other members of the Congress to join me.  
10 Unfortunately, the ranking member does not have  
11 subpoena process, and so I can't assure you of who else  
12 is going to come. But we are starting to invite them  
13 in a geographical way.

14 Everybody here in D.C., Washington, and  
15 Maryland, is strongly urged to join us, no matter what  
16 time they get here. And then we're reaching out  
17 further for many of our friends, some leaders of the  
18 variety of caucuses that were with us in our daily  
19 deliberations, and we hope that they will be able to  
20 respond.

21 I'll put the balance of my statement in the  
22 record, and I want to begin with these witnesses: Laura

1 Murphy. Hilary Shelton is not here. I can write up a  
2 subpoena for him, so, someone ought to get on the phone  
3 right away. I'd like him to testify as soon as he can.

4 Eric Rodriguez, Travis Plunkett, Emily Stewart will  
5 all follow our first witness, the Director of the  
6 American Civil Liberties Union, Laura Murphy, who has  
7 worked with the Judiciary Committee for many years on  
8 policymaking and her experience has been invaluable as  
9 is the witnesses. Well, she's frequently a witness  
10 before Judiciary herself, and at other times we have  
11 other representatives there. Her advocacy for human  
12 rights and civil liberties is obviously well-known, and  
13 I will welcome her now. And forgive me, please. The  
14 chair is going to have to be arbitrary with 16  
15 witnesses and a lot of discussion. I will use the  
16 prerogative of the chair to shorten your oral remarks  
17 and put the rest in the record.

18 Welcome, Laura Murphy, good morning to you.

19 STATEMENT OF LAURA MURPHY

20 MS. MURPHY: Good morning, Mr. Chairman, and  
21 thank you for convening this meeting, because the  
22 attendance in this room is greater than many Judiciary



1 Committee Hearings and you are a stalwart at getting us  
2 all together and keeping us organized.

3 So I very, very much appreciate, and the ACLU  
4 appreciates your leadership. And although I have an  
5 evaluation coming up after my first year returning, so  
6 I don't want people to think I'm the director of the  
7 ACLU. I am the Director of the ACLU Legislative  
8 Office. I don't want to get in trouble with my boss.

9 Anyway, H.R. 1, the bill that passed the  
10 house last Saturday, is a minefield for civil  
11 liberties. In a matter of days, the house has voted to  
12 jeopardize women's health, undermine civil liberties  
13 aspects of national security, and, therefore, undermine  
14 national security, and so chip away at due process  
15 rights, inhibit Americans' unfettered access to the  
16 Internet. These rights should not be so easily  
17 discarded by those sworn to uphold the Constitution,  
18 and the ACLU urges the Senate to reject each of the  
19 disturbing amendments in this bill. And I appreciate  
20 the robust debate on many of these provisions.

21 This continuing resolution is meant to fund  
22 the government through the current fiscal year, and

1 it's considered must pass legislation; so, therefore,  
2 it's very dangerous. Some of the problematic  
3 amendments that have been included in this bill are  
4 funds being barred for the Federal Communications  
5 Commission's implementation of recently adopted net  
6 neutrality rules. Even a very weak net neutrality  
7 rules recently adopted by the FCC are better than the  
8 alternative, allowing a very few Internet service  
9 providers to analyze, manipulate or sensor the data we  
10 receive over the Internet as we've seen in Egypt.

11 Control of the Internet is a very important  
12 Civil Liberties issue, and when the government has the  
13 power through lack of regulation or through regulation  
14 to control the content on the Internet, that's a very  
15 dangerous threat to our First Amendment rights.

16 There's also an amendment to eliminate all federal  
17 funding to Planned Parenthood, and I see we have a  
18 witness from Planned Parenthood. And this is done  
19 because the clinics provide access to abortion, but  
20 abortion is only a small part of what Planned  
21 Parenthood does.

22 Only three percent of its operations go to

1 performing abortions, while fully 84% go to screening  
2 for sexually transmitted diseases, cancer, and for  
3 providing contraception. And we believe that this bill  
4 unconstitutionally bars Planned Parenthood from using  
5 its own privately raised funds for reproductive rights,  
6 contraception and abortion.

7           The base language for the continuing  
8 resolution also had troubling provisions, including one  
9 that would eliminate funds to the critical Title X  
10 National Family Planning Program, which provides the  
11 only source of federal funding for those much needed  
12 services nationwide, and many low income families find  
13 these essential resources through federal funding.  
14 And, according to the Allen Goodmacher Institute,  
15 nearly six out of 10 women obtain family planning care  
16 at these kinds of centers.

17           The House Resolution also included a blanket  
18 ban on Guantanamo detainee transfers to the United  
19 States for any reason, including prosecution in federal  
20 court. The transfer ban is significant, because it  
21 would apply to all government funds and not just those  
22 to the Defense Department that are already restricted.

1

2 Closing Guantanamo would not only aid  
3 national security, it would also be fiscally  
4 responsible to do so. It costs American taxpayers \$150  
5 Million per year to keep the facility open, and the  
6 Obama Administration admitted that it would cost half  
7 that amount to hold detainees in the United States.

8 The Senate has expressed opposition to taking  
9 up the final house-passed bill; and, President Obama,  
10 citing several concerns, has issued a veto threat for  
11 the legislation. But we would like him to issue a more  
12 explicit veto threat to the legislation, because if it  
13 contains these antique civil liberties provisions --  
14 one last thing that I think is buried in the bill and  
15 then I'll end -- is it seems like an amendment has been  
16 adopted that would prohibit the use of any federal  
17 funds for the remainder of this fiscal year to pay  
18 attorneys fees awarded to prevailing parties under the  
19 Equal Access to Justice Act in cases brought against  
20 the U.S. Beyond the practical problems, this language  
21 might raise serious separation of powers problems.

22 While Congress might be able to repeal the

1 Act itself, the amendment, instead, prohibits the  
2 Federal Government from paying court ordered judgments  
3 and attorneys fees, and we think this goes to the core  
4 of 6th Amendment rights to counsel, and it also  
5 penalizes people who used our legal processes to  
6 receive justice. So I'll end on that note, and I'm  
7 sure you'll have other questions.

8 Thank you, Mr. Conyers.

9 MR. CONYERS: Thank you, Laura Murphy.

10 And I know Anthony Romero is watching us and  
11 wondering why I couldn't remember that he was the  
12 director and you run the Washington part of the  
13 organization. And we've discarded the notion of  
14 bringing Mr. Shelton in by legal means, because he's  
15 voluntarily appeared.

16 But, my good friend Hilary Shelton has been  
17 the Washington Bureau Director and Senior Vice  
18 President for Advocacy at the NAACP for many years.  
19 We've all worked together and between NAACP and ACLU,  
20 the Congressional Black Caucus, the Hispanic Caucus, La  
21 Raza and other organizations represented here, we've  
22 been proud to accomplish a number of legislative goals.

1

2 I just wanted to mention one thing that I was  
3 proud of that as I recall came from the NAACP office,  
4 and that was dealing with the question of how we stop  
5 gun violence, and also how we do not stop gun violence.

6 And it's in that sense that we welcome you, Hilary  
7 Shelton, and your statement, like everyone else's, will  
8 be included in the record.

9 STATEMENT OF HILARY SHELTON

10 MR. SHELTON: Thank you so much, Mr. Conyers,  
11 and good morning.

12 I appreciate the opportunity to share with  
13 you the concerns of the NAACP over the budget proposals  
14 as we've seen lately for the remainder of the fiscal  
15 year 2010 and beyond. As we are all aware, all of the  
16 budget proposals we have seen contain significant  
17 reductions to domestic discretionary spending, and it  
18 is the impact of these spending reductions, these  
19 Draconian cuts that have us very concerned about the  
20 future.

21 Let me begin by saying that the NAACP shares  
22 the concerns of most Americans that our national

1 deficit is too high. We disagree, however, with those  
2 who feel that the deficit can and should be tamed  
3 solely by cutting the central services to the American  
4 people. Rather, we would advocate a thorough review of  
5 the entire federal budget, revenue as well as  
6 expenditures.

7           Just a few months ago, Congress passed and  
8 the President signed a flawed bill, which among other  
9 things extended tax cuts for the wealthiest of  
10 Americans. The total cost of the bill would be more  
11 than \$850 Billion over the next 10 years.

12 Specifically, this legislation which is now law, gives  
13 away \$139 Billion in tax breaks to the wealthiest two  
14 percent of Americans over the next two years.

15           While there were provisions in the  
16 legislation, which the NAACP supported, including a 13-  
17 month extension on emergency unemployment insurance  
18 benefits, we oppose and continue to disagree with many  
19 of the provisions that unnecessarily deplete revenue  
20 from the federal coffers and benefit only a few  
21 Americans. I would be remiss if I didn't point out and  
22 thank Congressman Bobby Scott and the entire

1 Congressional Black Caucus for their oversight and  
2 thoughtfulness in compiling an alternative to this  
3 problematic legislation.

4           Specifically, the alternatives include a 13-  
5 month extension on emergency unemployment insurance  
6 benefits, plus additional assistance for the  
7 chronically unemployed -- those Americans who have been  
8 unable to find work for more than 99 weeks -- a payroll  
9 tax holiday or equivalent payment, such as a tax rebate  
10 check with guarantees that Social Security will not be  
11 deprived of revenue, and a targeted tax relief through  
12 a two-year extension of earlier tax cuts for  
13 hardworking, middle and low income families, and  
14 extending the enhanced provisions included in the  
15 American Recovery and Reinvestment Act for the earned  
16 income tax credit, the child tax credit, and the  
17 American opportunity tax credit.

18           Perhaps more importantly for today's  
19 discussion is the fact that the CBC proposal would have  
20 cost less than to have other proposed trillion-dollar  
21 comprise and it created virtually the same number of  
22 jobs. We need to look carefully back at the tax breaks



1 which were just extended, as well as other tax policies  
2 and analyze who benefits from these policies, including  
3 how many living wage jobs are honestly created, and  
4 weigh the benefits of these policies against the cost  
5 to the Federal Government.

6 But to go back to the budget proposal, we  
7 have before us for the remainder of fiscal year 2011  
8 and beyond, H.R. 1, the full-year Continuing  
9 Appropriations Act of 2011, which decisively passed the  
10 House of Representatives last Saturday in yet another  
11 divisively partisan vote and is currently before the  
12 Senate, would, if enacted as currently written, would  
13 have near catastrophic results for too many racial and  
14 ethnic minority Americans, not to mention most low and  
15 middle income Americans throughout our country.

16 Overall, the legislation cuts federal, non-  
17 security discretionary spending for the remainder of  
18 fiscal year 2011 by 24%, or almost one quarter. It was  
19 targeted to be \$100 Billion below the President's  
20 federal budget request for fiscal year 2011, an  
21 arbitrary number, made up by some of the very same  
22 people who gave us the \$139 Billion in tax breaks to

1 the wealthiest two percent of Americans over the next  
2 two years just two months ago.

3 As a result of this request to reduce the  
4 budget by \$100 Billion, almost every federal program,  
5 regardless of their value, their success, how many jobs  
6 they create or the needs of the American population  
7 that they are intended to serve, experience crippling  
8 reductions. Education from Head Start to Early Start  
9 programs through job training programs, for unemployed  
10 workers and Pell grants for aspiring, economically  
11 challenged college students would be cut.

12 The essential healthcare services, including  
13 the community mental health services, block grant and  
14 the special supplemental nutrition programs for women,  
15 infant and children, our WIC programs, are subject to  
16 significant funding reversals under H.R. 1. Several  
17 programs which were established to provide housing  
18 services to the most needy among us are slated to have  
19 their funding cut nearly in half by H.R. 1 as well.

20 Do these cuts and others like them  
21 disproportionately affect African Americans and other  
22 races and ethnic minorities? Sadly, the unequivocal

1 answer is a resounding yes.

2 Chairman Conyers, members of the congress, as  
3 you know too well, our nation is still tenuously  
4 recovering from one of the worst economic downturns in  
5 our country's history. And as the expression goes:  
6 "When America gets cold, African Americans get  
7 pneumonia." To quote the Center for American Progress  
8 in their newly issued report, the state of communities  
9 of color and the U.S. economy, a snapshot as we enter  
10 2011: "The great recession of 2007-2009 produced  
11 widespread unemployment losses for communities of color  
12 and like families alike, losses that have yet to be  
13 overcome amid a still tentative economic recovery.

14 All U.S. households were severely hurt by the  
15 recession, but communities of color experienced larger  
16 losses than white communities. This also means that as  
17 the economic recovery deepens as the labor market  
18 recovers, communities of color will have to climb out  
19 of a deeper hole to remain the same level of economic  
20 security as they had before the crisis."

21 The report goes on to say, I quote again:  
22 "The percentage of U.S. population living below the

1 poverty line increased for all racial groups in the  
2 recession, more so for the communities of color than  
3 for white communities. In 2009 more than one in four  
4 Latinos, that is 25.3%, and African American families  
5 at 25.8% live below the poverty line. Conversely,  
6 poverty rates among white Americans and Asian Americans  
7 were 9.4% and 12.5% respectively."

8 Now, I don't want to send a misunderstanding  
9 that somehow we should talk about whose pain hurts  
10 more, but it's important we take on all the issues and  
11 all the diversity that is American. We need programs  
12 that are facing final reductions of H.R. 1. If not,  
13 complete elimination from healthcare to education to  
14 job training to job creation were developed or enhanced  
15 to help these Americans and their families survive and  
16 potentially get back on their feet.

17 By defunding or eviscerating them now, before  
18 the detrimental effects of the economic downturn have  
19 been remedied, these programs will not be able to  
20 adequately serve the people they're intended to help.  
21 And, sadly, yet again, a disproportionate number of  
22 these people are racial and ethnic minorities.

1           In response to the negative impact these  
2 funding reductions will have, the NAACP, National Board  
3 of Directors, just last Saturday passed an emergency  
4 action item in opposition to these cuts. Specifically,  
5 the action items states that the NAACP "vociferously,  
6 loudly and consistently opposes budget reductions which  
7 would impact the quality of life for low and moderate  
8 income Americans."

9           Congressman Conyers, friends around the  
10 table, and those who are listening, wherever they may  
11 be, we as a nation can and must do more to stabilize  
12 our national budget and reduce the deficit. We must  
13 not do it, however, at the expense of those who are  
14 already suffering, our nation's most vulnerable people.

15       The Federal Government has an obligation to ensure  
16 that the basic human needs of all of its citizens are  
17 met.

18           Now is not the time for our economy. It's  
19 too still precarious and there's still too many people  
20 suffering to make dramatic cuts to the services made  
21 available through federal funding. And genuine budget  
22 cuts was intended to reduce the deficit, must take a

1 realistic approach and look at both realistic spending  
2 cuts along with progressive tax policy, which generates  
3 adequate revenues.

4 We, indeed, as I close, must not allow budget  
5 cuts to hurt the most vulnerable of Americans among us.

6 Thank you so much.

7 MR. CONYERS: Thank you, Mr. Hilary Shelton,  
8 NAACP.

9 Hillary, you remind me that in this deep  
10 recession, which some claim that we're climbing out of,  
11 for others it is a depression that has been going on  
12 even before the downturn of 2008. And the theory  
13 behind, I think behind deficit reduction for those that  
14 advocated is that this is the way we climb out of this  
15 hole that you refer to, and how we creates jobs.

16 I think there is a body of economists that  
17 disagree strongly, using the Franklin Roosevelt  
18 depression comparison, is that you are frequently  
19 required to spend your way out of the depression,  
20 rather than begin slashing the programs that would  
21 seemingly -- if these figures are accurate and we're  
22 open for discussion about it -- but all of the H.R. 1

1 reductions to me lose jobs. And the whole idea being  
2 claimed on all sides, both sides of the aisle and all  
3 parties and leaders, is to create jobs. And so I think  
4 you've touched on that in a very important way.

5 Eric Rodriguez, our next witness, Vice  
6 President of Research in the National Council of La  
7 Raza. There is a small debate going on in the  
8 committee as to what La Raza stands for.

9 That is the subject, after we get through  
10 with this hearing. He is a board member of Democracy  
11 U.S.A., the Center for Financial Services Innovation,  
12 the National Hispanic Council on Aging, and National  
13 Academy of Social Insurance Members. We have your  
14 statement. We welcome you here speaking on behalf of  
15 your organization today, sir.

16 STATEMENT OF ERIC RODRIGUEZ

17 MR. RODRIGUEZ: Thank you, Mr. Chairman.

18 It's a great honor and privilege to be here.

19 Respectfully, I hate to go after Hilary in  
20 any hearing, because he says everything I want to say,  
21 except a lot better than I do. So I'll be very brief.

22 NCLR is an American institution, a civil

1 rights institution, 40 plus years old, and we sit at an  
2 important crossroads where discrimination against our  
3 community is at a heightened level across the nation  
4 and in states. So when we talk about and we have  
5 debates about what the government's role should be,  
6 which is a good debate to have -- we welcome it -- it  
7 absolutely is an enforcement of civil rights laws.

8           And that's an important area for us, just  
9 given where our community is. The programs that  
10 support that and underwrite that is important to our  
11 community groups. We represent more than 300  
12 community-based organizations that run a range of  
13 programs, juvenile justice programs and others that are  
14 crucial as we think about enforcement of the laws and  
15 protection of our population and our people, and our  
16 community.

17           We too are very concerned about the budget  
18 deficit. Look. It's an enormous problem. It's a  
19 serious problem, and we do need to deal with it.  
20 There's so much wrong with H.R. 1. Right? I mean we  
21 could just go line by line and take it off, because  
22 it's going to have deep and severe impacts on human



1 beings. But, fundamentally, what's wrong is it does  
2 nothing about our deficit problem. It simply doesn't  
3 address the major concerns and the drivers of our  
4 budget problem. It doesn't talk about taxes; doesn't  
5 really deal with Medicare, healthcare or other costs  
6 that are very significant to our population. So it's  
7 not a very serious effort, and at the same time has  
8 very deep and serious implications for our people.

9           That's the biggest problem with H.R. 1, so I  
10 know we'll take off. I've got plenty of numbers we can  
11 rattle off and we can tell you what the human toll is  
12 going to be on our kids, whether we're talking about  
13 juvenile justice or on adults that are trying to go  
14 through the process and becoming naturalized citizens,  
15 voting citizens as well. And those are the areas that  
16 I think we're really concerned about -- not just the  
17 enforcement, which is very crucial, but there's  
18 immigrant integration funding throughout these areas.

19           There's juvenile justice; and, as a  
20 population that's seeing, you know, rising numbers of  
21 our youth interacting with law enforcement and finding  
22 themselves disproportionately in the juvenile justice

1 system, this is a really big concern for us throughout  
2 the states, and not to mention various areas of  
3 immigration enforcement that we feel are so crucial.  
4 Those are investments that are needed in a big way and  
5 they need to continue to go on, and H.R. 1 cuts those  
6 by 40 to 50 percent in given areas.

7 And those are just major problems for us that  
8 make us weaker, not stronger. So I think we've got to  
9 look at this very seriously. We do need to tackle the  
10 deficit problem. We want to be a part of that  
11 solution, but this is simply not the way. A more  
12 thoughtful approach is needed going forward, and we're  
13 prepared to be at the table if they're serious.

14 So I encourage that. I hope we can work  
15 together on that, and I look forward to working with  
16 this committee and my colleagues. Thank you.

17 MR. CONYERS: Thank you very much. I wish  
18 there were credits given for people who abbreviate  
19 their statements, but I'll have to figure out what kind  
20 of a reward you should get.

21 Is that Travis Plunkett on the end there?

22 MR. PLUNKETT: It certainly is.

1           MR. CONYERS: All right. May I introduce the  
2 Legislative Director of the Consumer Federation of  
3 America, a research and advocacy organization that is  
4 comprised of nearly 300 non-profit consumer  
5 organizations, primarily concerned with financial  
6 services, credit reporting, bankruptcy, credit  
7 counseling, consumer privacy. His responsibilities  
8 include testifying before committees, and sometimes  
9 forums on the impact of pending legislation.

10           We welcome you here, sir.

11                           STATEMENT OF TRAVIS PLUNKETT

12           MR. PLUNKETT: Thank you so much,  
13 Congressman, for your work on protecting consumers and  
14 vulnerable Americans for so many years, and thank you  
15 so much for having this forum.

16           I am testifying, not just on behalf of CFA,  
17 but the Americans for Financial Reform. This is a  
18 broad coalition that worked hard for the financial  
19 reforms that were achieved in the Dodd-Frank Act last  
20 year, and includes many groups that are represented in  
21 the room. When House Republicans passed their 2011  
22 funding cuts for financial regulators, and that

1 includes the new Consumer Financial Protection Bureau,  
2 the Securities and Exchange Commission, and the  
3 Commodities Future Trading Commission last week, they  
4 made it clear that derailing Wall Street Reform, rather  
5 than fiscal responsibility, was uppermost in their  
6 minds.

7           The 63 million in cuts for the Consumer  
8 Bureau, and just under a hundred million in combined  
9 cuts for the SEC and CFTC, they're not even pocket  
10 change in the context of the federal budget. They're  
11 the penny you don't bother to reach down and pick off  
12 the pavement. This is especially true since the bulk  
13 of funding for these three agencies doesn't come from  
14 Appropriations. We are not talking about taxpayer  
15 dollars here.

16           On the other hand, those cuts are really  
17 serious if you want to provide better oversight of Wall  
18 Street, and they're crippling for these agencies. The  
19 CFTC cut by the way is a third of its budget. So why  
20 should Americans care about efforts by House leadership  
21 to devastate the budgets of these agencies. For the  
22 tens of millions of Americans, and I should say here

1 these are often low to moderate income Americans  
2 members, racial and ethnic minorities.

3 For the tens of millions of Americans who  
4 were tricked or trapped by their credit card company  
5 into paying a higher interest rate or fee, or who we're  
6 told that they would benefit from an exploding arm  
7 mortgage loan and later lost their home, or who paid a  
8 \$35 fee for a \$6 overdraft, the answer is obvious. The  
9 new Consumer Bureau will be a cop on the beat for the  
10 first time to make sure they're treated fairly.

11 And, as we've seen with the subprime mortgage  
12 crisis, and Congressman, you mentioned foreclosures,  
13 efforts to protect consumers don't just protect  
14 families. They protect the economy and jobs. Then  
15 there are the millions of Americans who lost  
16 significant parts of their retirement because of the  
17 crisis that was triggered once again by bad consumer  
18 protection.

19 The SEC was created in the midst of the great  
20 depression to serve as the investors advocate and to  
21 ensure that markets are fair and open. Now, they've  
22 fallen short on occasion of that ideal, but they're the

1 only protection that small investors have. And then  
2 there's the CFTC. This is an obscure agency, but they  
3 are charged with improving regulation of derivatives.

4 Think about AIG here. We know that bad  
5 derivatives oversight was a major cause of the  
6 financial crisis. As I mentioned, their budget will be  
7 cut by one-third. It's not going to be increased,  
8 because of their new responsibilities. It's going to  
9 be cut by one-third. If we've learned nothing else  
10 from the crisis, it should be that unless regulators  
11 have authority and resources, they need to reign them  
12 in. Wall Street will run amok and average Americans  
13 will end up bearing the cost.

14 It's no coincidence that while many Americans  
15 are still out of work, they've lost their homes.  
16 They're wondering when the recovery is going to trickle  
17 down to them. Wall Street is back to celebrating  
18 healthy profits and even healthier bonuses those  
19 profits bring. They have plenty of money on hand to  
20 lobby against regulatory reform and to cut the budgets  
21 of these agencies, and plenty of friends in Congress  
22 ready to do their bidding. The regulators whose job it

1 is to keep them in line need the resources to fight  
2 back.

3 Thank you.

4 MR. CONYERS: Thank you very much. I  
5 appreciate your testimony.

6 Do either of you three have any comments or  
7 questions thus far?

8 MR. SHELTON: Certainly, Travis is a good  
9 friend of the NAACP, since some of the work the  
10 Consumer Federation of America does is vital to the  
11 concerns of our communities, and it may be helpful to  
12 talk about someone in the Financial Consumer Protection  
13 Bureau; indeed, who the most vulnerable were and what  
14 happens that we don't have the kind of oversight that  
15 the resources that we're talking about in place would  
16 provide for us in terms of enforcement, particularly  
17 for raising the minorities and the elderly, who were  
18 the two largest targets, I think, are the predatory  
19 lenders of days before.

20 MR. PLUNKETT: It's a really good point,  
21 Hilary. Thanks for mentioning it. So let's look at  
22 who suffered from the foreclosure crisis: older folks

1 with equity in their homes were targeted; and poor  
2 folks who were just getting into their first homes.

3 Many of them racial and ethnic minorities,  
4 were specifically targeted by the sleaziest lenders.  
5 So these are the folks who have suffered the most; and  
6 then to add insult to injury, housing crisis slid in  
7 many parts of the country, triggering the economic  
8 recession in many parts of the country, and they  
9 suffered more. So they suffered once when they were  
10 sold loans that they were told they could afford but  
11 couldn't.

12 Then they suffered again when they lost their  
13 jobs and had trouble with the recession. So this  
14 sounds somewhat obscure to many Americans. Why should  
15 I care about the Commodities Future Trading Commission?

16 Because if it hadn't been for derivatives, the crisis  
17 that started in the housing sector wouldn't have gotten  
18 worse, and you might not have lost your job. So it's  
19 absolutely essential that all of these agencies are  
20 well funded.

21 MR. CONYERS: I thought it was the subprime  
22 mortgage ripple that got into the financial stream that



1 triggered the foreclosures.

2 MR. PLUNKETT: You're absolutely correct. It  
3 started with the subprime mortgage lending, which  
4 affected the housing markets. The slide in the housing  
5 markets was a major contributor to the recession, as we  
6 know. So it all started with the targeting of the most  
7 vulnerable Americans Hilary mentions, with these  
8 terrible loans that they were told they could afford,  
9 but couldn't.

10 MS. MURPHY: You were also talking about the  
11 packaging of those mortgages as investment tools, so  
12 that's how we get to the derivatives issue.

13 MR. PLUNKETT: Yes. Well, Warren Buffett  
14 famously called derivatives financial weapons of mass  
15 destruction. So the role of derivatives was to  
16 exacerbate these factors and take a significant crisis  
17 for many families and turn it into an international  
18 economic crisis.

19 MR. CONYERS: Thank you very much.

20 We now turn to Planned Parenthood Federation  
21 of America, and Emily Stewart is not Cecile Richards.  
22 So we want to get that straightened out right off the

1 bat. But we're glad to have Ms. Stewart, because she's  
2 the Director of Public Policy at Planned Parenthood  
3 Federation of America. She's focused on healthcare  
4 issues that impact more than three million patients who  
5 Planned Parenthood serves each year and has been very  
6 valuable to my Judiciary Committee staff. We're very  
7 pleased to have you here today.

8 STATEMENT OF EMILY STEWART

9 MS. STEWART: Thank you, Mr. Chairman, and  
10 you're right. I'm definitely not Cecile Richards, but  
11 I'll do my best. And thank you again for the  
12 opportunity.

13 We are very happy to be here to discuss the  
14 impact of H.R. 1 on Women's healthcare; and, as you  
15 mentioned, Planned Parenthood does see three million  
16 Americans every year for healthcare services. We run  
17 more than 800 health centers across the country,  
18 providing primary and preventive healthcare, which  
19 includes routine annual exams, cancer screenings, HIV  
20 testing and treatment, SDI testing and treatment.

21 We do cholesterol screening, diabetes  
22 screening, smoking cessation programs. It really runs

1 the gamut. We also run a lot of community outreach and  
2 education programs where we're out in the communities  
3 educating Americans about the things that they need to  
4 do to stay healthy and what kind of services are  
5 available to them in their communities.

6 Three quarters of Planned Parenthood health  
7 centers are at or below 150 percent of the federal  
8 poverty level. And as Laura mentioned, for more than  
9 six in ten of the patients 23 see, like many other  
10 health cents like Planned Parenthood, we are their main  
11 source of healthcare. For many people, especially in  
12 rural communities, we are really the only healthcare  
13 provider for miles and miles.

14 We are the largest, or one of the largest  
15 women's healthcare providers in the country. One in  
16 five women will come to a Planned Parenthood health  
17 center at some point in her lifetime. So I think as  
18 has been demonstrated so far, obviously, H.R. 1 has a  
19 lot of provisions and that really undermined Americans  
20 health and women's health in particular.

21 I do want to focus on two. One is the Title  
22 X family planning program, and the second is, Laura

1 mentioned, the Pence Amendment, which passed the House  
2 floor. The Title X family planning program was one of  
3 the few programs that was not just cut, but was wholly  
4 eliminated by H.R. 1. This is a program that has been  
5 around for more than 40 years.

6 It has received bipartisan support for more  
7 than 40 years. It's a critical program. It's really  
8 at the heart of our nation's healthcare infrastructure,  
9 and in particular our safety net infrastructure. It  
10 serves more than 5 million Americans a year, providing  
11 some of the primary and preventive care, the same  
12 primary and preventive care that Planned Parenthood  
13 provides. So cancer screenings, birth control, HIV  
14 testing, SCI testing, counseling, education.

15 Our health centers actually know all too well  
16 how important this program is to communities across the  
17 country. We provide more than a third of the care that  
18 is provided through the Title X family planning  
19 program. So, as a direct result of this provision, all  
20 those five million Americans are going to be at risk of  
21 losing the healthcare services that they rely on for  
22 many of them, the only healthcare service that they get

1 to stay healthy, to support their families throughout  
2 the course of the year.

3 One thing to notice in particular about the  
4 family planning services that are offered to the Title  
5 X program, they not only help women to stay healthy,  
6 but they help families and children to stay healthy.  
7 Decades of research has shown that when you improve  
8 access to family planning services, women, when they're  
9 able to plan their pregnancies, they're more likely to  
10 seek prenatal care.

11 Family planning is directly relating to  
12 reductions in maternal and infant mortality. It's  
13 extremely, extremely important in terms of keeping  
14 communities healthy. The program also saves money for  
15 every dollar spent on family planning services. Almost  
16 \$4 is saved in Medicaid savings according to research.

17 So, obviously, the Title X, the elimination of the  
18 Title X program is something that planned parenthood is  
19 extremely opposed to; but, in addition to that,  
20 Representative Pence brought to the House floor an  
21 amendment that stipulates that Planned Parenthood  
22 health centers cannot receive any federal funding that

1 is appropriated by the Act.

2 So I guess it didn't really matter for Title  
3 X, because that was already eliminated. But some of  
4 the other funding that our health centers can't get  
5 access to include Medicaid, maternal and child health  
6 grants, TANF funding that we get, CDC funding that we  
7 get for HIV testing and the prevention of infertility.

8 It would clearly result in very much limiting our  
9 ability to provide the care that we provide now.

10 62 percent of Planned Parenthood's patients  
11 would lose access to healthcare as a result of the  
12 Pence Amendment, including 1.4 million Medicaid  
13 patients that we see. One thing I do want to highlight  
14 in particular with respect to the Medicaid issue is  
15 that for the last year, ever since the healthcare  
16 reform law was passed, our health centers have really  
17 been focusing on making sure that we can be a strong  
18 access point for the millions of more women we expect  
19 to be coming to our health centers as a result of the  
20 Medicaid expansion under the healthcare reform law. So  
21 not only does it take away the ability of those 1.4  
22 million patients to continue to come to Planned

1 Parenthood health centers, but it also prevents the  
2 millions more patients who are going to desperately  
3 need an access point once they have their Medicaid  
4 card.

5 It's going to take away their ability to see  
6 the provider that they trust that's in their community.

7 In addition to those 62 percent of patients, the Pence  
8 Amendment would affect 7500 jobs, individuals employed  
9 by Planned Parenthood health centers. And one thing I  
10 do want to point out with respect, in particular, to  
11 the Pence Amendment is that it's very clearly not about  
12 reproducing the deficit. The Pence Amendment doesn't  
13 do one thing to reduce the deficit.

14 It obviously doesn't do one thing to create  
15 jobs, and in fact people are going to lose their jobs  
16 as a result of it. It is completely a political move  
17 that the result is going to be Americans are going to  
18 lose access to their primary and preventive healthcare  
19 provider. I think, you know, at the end of the day,  
20 taking these two attacks together, the elimination of  
21 the Title X family planning program, the Pence  
22 Amendment, and all of the other cuts that we've seen to

1 WIC and the maternal and child health program, without  
2 a doubt, in our mind, H.R. 1 represents the most  
3 dangerous legislative assault on women's health in  
4 American history. Thank you.

5 MR. CONYERS: Thank you very much.

6 MS. MURPHY: Mr. Conyers, can I ask Emily a  
7 question?

8 MR. CONYERS: Laura Murphy.

9 MS. MURPHY: Emily, can you talk a little bit  
10 more about this whole effort as a form of gender  
11 discrimination and race discrimination? The ACLU is  
12 very concerned about Planned Parenthood, not because  
13 it's just Planned Parenthood -- it's a sister  
14 organization -- but also because of the  
15 disproportionate impact on women, on communities of  
16 color. And I think we should all focus on this issue,  
17 because people will try to make you think about this in  
18 terms only of abortion, and this is not about abortion.  
19 This is about health. Can you just elaborate on that?

20 MS. STEWART: Absolutely. And just to  
21 reiterate a point that you mentioned earlier, the  
22 federal law already requires Planned Parenthood health



1 centers and other health centers to demonstrate that  
2 federal funds through strict segregation requirements  
3 do not go towards abortion. So, really, the impact of  
4 this is not abortion. The impact of this is the  
5 ability of Americans to get routine cancer screenings;  
6 and, you're right that it absolutely disproportionately  
7 affects women, and in particular women of color, more  
8 than almost 97 percent of the patients that Planned  
9 Parenthood sees are women, and certainly,  
10 disproportionately, the women that we see are women of  
11 color, and the same goes for the women who were served  
12 in general by the Title X program.

13 I mean you can really tick through the list  
14 in terms of health disparities with respect to  
15 unintended pregnancy -- the affect that STIs have on  
16 women across the country. HIV, a maternal and infant  
17 mortality rates, and women of color, are  
18 disproportionately affected. So African American women  
19 by way of example are eight times more likely than  
20 white women are likely to be infected with Chlamydia.

21 The maternal mortality rates are eight times  
22 more likely to die because of childbirth, and it all

1 links back to the ability to access this primary and  
2 preventive care. So some of the health disparities  
3 that we see now are going to be extremely exacerbated  
4 by the result of the elimination of Title X, and  
5 essentially the -- I'm sorry.

6 I can't grab my words, but the attempt to  
7 essentially close Planned Parenthood health cents  
8 across the country. So 62 percent of our patients, the  
9 reason why 62 percent of our patients are going to lose  
10 access is because that puts more than 500 of our 800  
11 health centers in jeopardy of closing.

12 MR. CONYERS: Ms. Stewart, I've been told  
13 that the unintended consequences of the action of  
14 what's happened to Planned Parenthood is now going to  
15 affect other people, other than low income people, and  
16 that it may reach out into suburban areas. Is there  
17 any validity in that information?

18 MS. STEWART: Well, we certainly see a range  
19 of people come to Planned Parenthood health centers, so  
20 we certainly do see Americans who are middle class,  
21 often Americans who are uninsured and maybe don't have  
22 insurance. So they come to us for affordable

1 healthcare instead of paying the amount of money that  
2 they might pay from a private physician.

3 But, absolutely, disproportionately, the  
4 Americans that we see are low income, as I mentioned  
5 earlier. The vast majority of the patients that we see  
6 are below 150% of the federal poverty level.

7 MR. CONYERS: Thank you.

8 Our next witness is Mr. Paul Helmke. When  
9 James Brady was shot in 1981 with President Ronald  
10 Reagan, he formed, or that was the reason that the  
11 Brady campaign and the Brady Center to prevent gun  
12 violence was created. He is the President of that  
13 organization, and since 2006, Mr. Helmke has headed the  
14 nation's largest national, non-partisan, grassroots  
15 organization leading the fight to prevent gun violence.

16

17 He brings great background: 12 years as the  
18 mayor of Fort Wayne, Indiana, and his service as  
19 President of the United States Conference of Mayors.  
20 We welcome you to the forum today, sir.

21 STATEMENT OF PAUL HELMKE

22 MR. HELMKE: Thank you, Mr. Conyers. And a

1 lot of you might wonder what reducing gun violence has  
2 to do with H.R. 1.

3 A lot of you might wonder what reducing gun  
4 violence has to do with H.R. 1 in the discussion today,  
5 and we wonder why we're part of this too. But Congress  
6 made us a part of this in its wisdom Friday night when  
7 they adopted an amendment that basically makes it even  
8 harder for ATF, the bureau of Alcohol, Tobacco and  
9 Firearms, to deal with the problem of illegal gun  
10 trafficking in this country.

11 ATF is already woefully underfunded,  
12 understaffed; hasn't had a full-time director for over  
13 four years. If that's not enough, gun violence in this  
14 country and gun violence in our neighbor to the South,  
15 Mexico, is increasing because of the weak gun laws in  
16 this country, and ATF decided they wanted to try to do  
17 something about this by adopting a simple regulation  
18 that basically would have said gun dealers in the  
19 border states to Mexico let us know when you sell more  
20 than two semiautomatics that take detachable magazines,  
21 ammunition magazines within a five-day business period.  
22 We just want to know.

1           Those dealers across the country are already  
2 required to do that for handguns, so it's not really  
3 new paperwork, not really a new burden. It's something  
4 with handguns they've been doing since 1968. But since  
5 1968 we're seeing a lot more semiautomatic long guns  
6 being sold, and they particularly were concerned with  
7 these guns going to Mexico.

8           And Congress on Friday night said ATF cannot  
9 spend any money or do anything to report those long  
10 guns. This is ridiculous. This is a travesty. This  
11 is a shame, a crime. Gun violence is already a major  
12 problem in this country. 32 people are murdered with  
13 guns every day in this country, 30,000 people die from  
14 guns every year in this country, another 70 to 80,000  
15 people are injured with guns every year in this  
16 country. There are costs involved in that.

17           Jim Brady was shot almost 30 years ago.  
18 March 30th this year will be the 30th anniversary of  
19 that shooting. The healthcare cost for Jim Brady, for  
20 Congresswoman Giffords, for the others are tremendous.  
21 And one of the reasons is because our gun laws do very  
22 little to stop dangerous and irresponsible people from

1 getting guns. But those same, weak gun laws that  
2 contributed to the Tucson shooter easily getting that  
3 high capacity magazine, passing those background  
4 checks, taking that gun on the streets of Tucson  
5 without breaking any laws until he pulled the trigger,  
6 those same weak gun laws are contributing to the  
7 violence in Mexico.

8           It's estimated that over 34,000 people have  
9 been killed as a result of Mexico's war with the drug  
10 cartels just in the last few years. It's estimated  
11 that 60,000 guns at least have gone from the United  
12 States to Mexico. Others estimate 2,000 guns a day  
13 going from this country to Mexico. We are contributing  
14 to the disintegration of the country to the South of  
15 our border, and ATF does not have the authority; does  
16 not have the staffing; does not have the legal  
17 authority to do these things.

18           Specific examples, here's what happens. Here  
19 is an individual who over two days in early December  
20 2009, a single individual, purchased 50 assault weapons  
21 at two stores in Arizona. And then on Christmas Eve --  
22 Merry Christmas -- he purchased another 40 assault

1 weapons at a store in Glendale, Arizona -- perfectly  
2 legal in this country -- perfectly legal in this  
3 country. No restrictions on assault weapons, no  
4 restrictions on the numbers he can buy. Only after  
5 those guns were trafficked to Mexico and were found at  
6 shooting scenes in Mexico did we realize that this was  
7 somebody that we could indict.

8 ATF just wants to know when those guys are  
9 sold to that person, and maybe it's innocent, but when  
10 they find out 50 at a time, 40 at a time, that's  
11 usually a sign that gun trafficking is going on.  
12 Another individual, 25-year-old unemployed machinist  
13 living with his parents in Houston, purchased 23 guns  
14 for \$25,000 in one day in September 2006. Amazing what  
15 those unemployed machinists living with their parents  
16 are able to do.

17 Another one of his friends, a 23-year-old  
18 former high school classmate bought 37 guns for  
19 \$43,000, also from the same gun store in Texas,  
20 entirely legal. All that ATF wanted to do is say,  
21 "Give us the authority to have the gun dealers tell us  
22 when they make these multiple sales, and then maybe we

1 can get a jump on these folks and stop these tragedies  
2 from occurring beforehand.

3           Again, we've got a serious problem. The ATF  
4 doesn't have the authority to solve it. This is a very  
5 limited regulation that would have allowed ATF to maybe  
6 stop some of these guns being trafficked to Mexico.  
7 There's a lot more that needs to be done, but on Friday  
8 night, the U.S. Congress voted after 10 minutes of  
9 debate, to say this can't happen anymore. And, by the  
10 way, this was done after the ATF has been going through  
11 the rulemaking process. Comment period ended on  
12 February 15th.

13           Rather than wait for the comments, rather  
14 than wait for the analysis, Congress decided not to  
15 listen to what the American people had to say. They  
16 decided to speak up on Friday night. Something needs  
17 to be done, and I thank you, Mr. Chairman, for helping  
18 bring this issue of gun violence to the attention of  
19 the American people again.

20           MR. CONYERS: Thank you so much.

21           You know, we have Carolyn McCarthy of New  
22 York who leads Congress in terms of curbing gun



1 violence and regulating guns. And her husband was a  
2 victim of gun violence and that caused her, I believe,  
3 to get active and come to Congress to serve as she does  
4 in this area. We're very proud of her.

5 MR. HELMKE: And it's her husband was killed  
6 by an individual at the Long Island Railroad, who was  
7 only stopped when the magazine, the high capacity  
8 magazine, and his gun ran out of bullets, and then they  
9 were able to tackle him, the exact same situation that  
10 occurred in Tucson. And that's one of the bills I know  
11 she is -- H.R. 308 -- is pushing this year to say that  
12 those high capacity ammunition magazines, those assault  
13 clips if you will, are something that should be banned.

14 Because they're not used by police departments, and  
15 it's only when they run out of bullets that we're able  
16 to stop these bad guys, so it's something I hope  
17 Congress will be able to consider this year.

18 MR. CONYERS: Mr. Helmke, refresh my  
19 recollection.

20 How many African American children are killed  
21 weekly by handguns?

22 MR. HELMKE: A large majority of those that

1 are killed are African American children. There are  
2 about eight to nine children that are killed every day  
3 in this country, and about half of them are minority  
4 children.

5 MR. CONYERS: Thank you. I yield to Hilary  
6 Shelton.

7 MR. SHELTON: Thank you, Mr. Conyers. I want  
8 to first commend the Brady Center for its continued  
9 vigilance on a sane and sensible approach to gun  
10 violence in our country. Quite frankly, coming from a  
11 community in which African American boys between the  
12 ages of 15 and 24 are more likely to die from gunshot  
13 wounds than car accidents, suicide or anything else  
14 that affects us, and our society is absolutely  
15 outrageous.

16 When we look at the compounding affect, even  
17 beyond, there's really nothing much beyond the issue of  
18 our children being shot down in our streets, but even  
19 the affect on our broader communities. I saw a  
20 statistic some time ago that about 85 percent of all  
21 gunshot victims are uninsured, which means that the  
22 cities, the towns, the hospitals pick up the tabs of

1 these very, very expensive procedures.

2 And, as such, as we've seen not only here in  
3 the nation's capital, but throughout the country, our  
4 local city hospitals end up shutting down at the same  
5 time they're trying to close Planned Parenthood  
6 facilities and what not; shutting down because we  
7 cannot afford the cost of gun violence in our society.

8 And even putting forth the money to prevent these  
9 things from happening that are outrageous, and we just  
10 love to hear more about what the Brady Center thinks  
11 about this.

12 MR. HELMKE: Right. It's the healthcare  
13 costs. Some of the estimates are tremendous. I mean  
14 just for Jim Brady alone, it's well in the millions of  
15 dollars. It's going to be the same for Congresswoman  
16 Giffords. Most gunshot victims don't have the kind of  
17 health insurance that Congresswomen have that a  
18 Presidential Press Secretary have.

19 And a lot of times when folks look at the  
20 statistics and they say, hey, the number of gun deaths  
21 may be going down for a year in this country, well, we  
22 point out that we're saving a lot more people in our

1 emergency rooms, our surgical doctors are doing a  
2 better job. We're continuing to have as many shootings  
3 across the country. The number of shootings are going  
4 up across the country. It's just that we're doing a  
5 better job of saving them, but that's impacting the  
6 healthcare costs. That's impacting our community  
7 hospitals. We're all at it's one level picking up the  
8 tab for these healthcare costs, and that's an issue  
9 that we need to be considering in this country too.

10 MR. CONYERS: Thank you so very much.

11 Our next witness is Ms. Tara Andrews, Deputy  
12 Executive Director of the Coalition for Juvenile  
13 Justice. The Coalition is the National Association of  
14 Governor appointed state advisory groups coming from  
15 many walks of life and disciplines. These members work  
16 to improve the circumstances of vulnerable and troubled  
17 children, youth and families involved with courts to  
18 build safer communities.

19 Thank you for joining us here today.

20 STATEMENT OF TARA ANDREWS

21 MS. ANDREWS: Thank you, Mr. Conyers, and  
22 good morning everyone.

1           On behalf of the Coalition for Juvenile  
2 Justice and the National Juvenile Justice and  
3 Delinquency Prevention Coalition and its 50  
4 organizational members, we thank you for this  
5 opportunity to come and speak to the impact that H.R. 1  
6 threatens to have on juvenile justice programs across  
7 the nation.

8           In our view, H.R. 1 embodies an abandonment  
9 of the federal-state partnership on on delinquency  
10 prevention and juvenile justice, which has been in  
11 place for decades; and, particularly, since 1974 with  
12 enactment of the Juvenile Justice and Delinquency  
13 Provision Act, the programs impacted by H.R. 1 are  
14 either programs that are specifically authorized by the  
15 JJJPA, or programs that support the goals and the  
16 purposes of the JJJPA. And when we talk about the  
17 federal-state partnership on delinquency prevention and  
18 juvenile justice, we're talking about securing the  
19 public safety.

20           We are talking about protecting youth who  
21 come into contact with courts every single day. We are  
22 talking about supporting youth development in the

1 broadest terms, and we are talking about improving the  
2 administration of juvenile justice to ensure that any  
3 processes and sanctions, and services provided are  
4 fair, age appropriate and effective.

5           The federal-state partnership is about a  
6 shared responsibility between federal and state  
7 governments. We share in the responsibility to keep  
8 our kids safe and our communities safe. We share any  
9 successes that we achieve when we see crime rates go  
10 down and youth success go up. We share in any failures  
11 of our system, from the point of arrest all the way to  
12 the point when a child is eventually released from our  
13 system. And we share in any emergent challenges and  
14 opportunities that we have to improve the lives of  
15 youth families and communities across the nation.

16           That, therefore, must mean a shared  
17 investment in preventing delinquency in the first  
18 instance, and then making sure that we respond to youth  
19 in very appropriate and fairways when they do engage in  
20 behavior that might be criminal where they are an  
21 adult. That shared investment also requires national  
22 leadership. It requires the Federal Government

1 embodied by the President and the Congress to step  
2 forward, set a vision about what we should be doing  
3 with our youth and our communities, and then plotting  
4 the way forward and supporting state efforts that  
5 happened all across the nation.

6 H.R. 1, however, abandoned this federal-state  
7 partnership and puts the framework on which all of  
8 these things are built in great jeopardy. I can tell  
9 you that juvenile justice programs in the federal  
10 budget are already down more than 40 percent across the  
11 board since fiscal year 2002. H.R. 1 represent an  
12 additional 30 to 57 percent decrease, depending on  
13 whether you count the earmarks that were eliminated or  
14 not.

15 In fiscal year 2010 the total amount of  
16 juvenile justice programming amounted to \$423.5  
17 million. H.R. 1 cut that by \$191 Million. And so  
18 almost cuts it by half, and that impacts states and  
19 local efforts to prevent delinquency and improve their  
20 juvenile justice systems in very critical ways. And we  
21 are particularly concerned about the framework that  
22 these juvenile justice programs support in terms of

1 protecting youth who come in contact with the courts.

2 We are talking about making sure that youth  
3 who are adjudicated as juveniles are not placed in  
4 adult jails and lock-ups where they are at higher risk  
5 of assault, suicide, and emotional and mental damage.  
6 We are talking about placing runaways or curfew  
7 violators, or kids who skipped school, crimes, offenses  
8 that wouldn't be crimes if they were grown up in  
9 facilities where they come in contact with young people  
10 who have committed more serious crimes. And we are  
11 talking about the gross over-representation of racial  
12 and ethnic minorities who can only -- 16 percent of the  
13 national youth population, but are better than 40  
14 percent of the youth who are incarcerated.

15 And that doesn't even begin to talk about the  
16 youth who are arrested, the youth who are detailed,  
17 pretried, the youth who eventually go before the  
18 court for adjudication. And so for this reason we  
19 would ask that the Senate reject the proposals that the  
20 Congress has put forward in H.R. 1, and I want to also  
21 take this opportunity to thank Mr. Conyers and  
22 particularly Mr. Scott.



1           Mr. Scott's office has many, among those 400  
2 something amendments that went in trying to stop this  
3 train wreck, Mr. Scott was one of those persons who  
4 reached out to the Juvenile Justice Committee to try to  
5 keep this particular cut from going into effect, and so  
6 we want to recognize his efforts. And we hope to work  
7 with his office and your office, Mr. Conyers, and any  
8 other interested members of Congress on this side as  
9 well as our colleagues and our friends in the Senate to  
10 keep these cuts, all of these cuts that we are talking  
11 about from actually going into effect, because, again,  
12 we're not talking about a slush fund. We're not  
13 talking about bridges to nowhere.

14           These dollars have faces. These dollars mean  
15 families. These dollars mean young people. These  
16 dollars mean whether or not our community is going to  
17 be safer tomorrow than it is today; and, these juvenile  
18 justice programs are very critical to making sure that  
19 that happens.

20           Thank you.

21           MR. CONYERS: Thank you, Ms. Andrews.

22           Bobby Scott of Virginia is the past chairman

1 of the subcommittee on crime in the Judiciary  
2 Committee, and he's done a marvelous job. He is now  
3 the ranking member of that same subcommittee and still  
4 serves on it.

5 We are now joined by a representative from  
6 the National Association of Counties, Mr. Don Murray,  
7 Senior Policy Advisor. The National Association of  
8 Counties is very important, because everybody has  
9 County Commissioners, and they do a very important job  
10 and they're frequently called on to testify, not only  
11 here, but in state legislatures as well. And as a  
12 representative of them, Mr. Murray, we're glad that  
13 you're here today. Welcome.

14 STATEMENT OF DON MURRAY

15 MR. MURRAY: Thank you, Mr. Conyers, and I'd  
16 like to also thank Bobby Scott for inviting us to  
17 testify today.

18 By the way, Mr. Conyers, we have admired your  
19 great leadership over the years in the field of justice  
20 and Bobbie Scott's leadership. The two of you are a  
21 dynamo pair and the country has benefited greatly from  
22 the leadership that both of you have provided.

1 MR. CONYERS: Thank you. We'll continue to  
2 pay our retainer to you.

3 [Laughter.]

4 MR. CONYERS: We appreciate all the comments.

5 MR. MURRAY: County government has major  
6 responsibility for poor people in the country. We run  
7 2500 health departments around the country. We have  
8 hundreds of county hospitals. There are no rich people  
9 in these hospitals. These are poor people in our  
10 county hospitals.

11 We also have major responsibility for the  
12 criminal justice system. We provide indigent defense.

13 We provide prosecutorial services. We run the  
14 correction system at the local level. We're  
15 responsible for felony courts. The sheriffs come to  
16 the county board for their money, so we have major  
17 responsibility. And one of our lifelines is the Byrne  
18 JAG program.

19 Counties spend a lot of money on justice and  
20 healthcare, with the primary provider of public health  
21 at the local level. And we also have major  
22 responsibility in justice, so we're very concerned

1 about the mentally ill in jail. It's becoming the new  
2 mental institution, our jails.

3           There's \$12 Million in the Bureau of Justice  
4 Assistance Budget, which is even threatened now. The  
5 plans are to cut \$581.3 Million out of the Byrne JAG  
6 program, which currently has a budget of 1.5 billion.  
7 So this is a major cutback, and this is our lifeline,  
8 because Byrne JAG is used for innovation and  
9 experimentation. Over 20 states are trying to cut  
10 their prison populations. But we're trying to cut our  
11 jail populations. There are 13.5 million admissions to  
12 county jails each year.

13           Only 700,000 go on to prison, but some of the  
14 rhetoric you would think it's all at the state level.  
15 The financial crisis has hit counties very hard,  
16 because we depend on the property tax and the property  
17 in this country has dropped dramatically, and it hasn't  
18 rebounded yet. So as a result, our property tax is not  
19 producing the revenues that we need to maintain even  
20 our current system.

21           But let me give you just a quick checklist of  
22 some of the issues counties are working on. The Youth

1 Promise Act, Mr. Chairman -- chief of the minority --  
2 we've been a big supporter of the Youth Promise Act.  
3 We're big supporters of early childhood development,  
4 getting at babies while the brain is being developed --  
5 zero to three. Head Start has been cut.

6 A reentry of the states, there was a state  
7 study saying that close to 70 percent of people in  
8 prison will be rearrested within three years and half  
9 will be recommitted. But no one goes directly to  
10 prison in this country. It works like monopoly. If  
11 you're arrested, you go and the officer decides to  
12 detail you. You go directly to jail. Everyone in  
13 prison is convicted. Everyone in prison has thought it  
14 out in a county jail.

15 Although there are a few states, very unusual  
16 states like Rhode Island, Connecticut, Hawaii, where  
17 the whole system is state run, but when it comes to  
18 community corrections, we think the county is the  
19 framework for community corrections. There are over 30  
20 states that have community corrections acts, but  
21 they're very poorly funded. The Pugh Foundation found  
22 that only 10 percent of what states were spending out

1 of their correctional budget is going for any form of  
2 community corrections, and that includes probation and  
3 parole, your more traditional forms of community  
4 corrections.

5 So, in summary, Mr. Chairman, the National  
6 Association of Counties, our policy is we favor  
7 freezing spending at the fiscal 10 levels, and that  
8 concludes my testimony.

9 MR. CONYERS: Thank you so much. You  
10 probably know the executive for Wayne County, Michigan,  
11 is attorney Bob Facano, who was himself a former  
12 sheriff of Wayne County before he became the executive  
13 for Wayne County, the largest county in the state of  
14 Michigan. And, isn't it true that jails have the  
15 additional responsibility for those who are not  
16 convicted that they be able to cast a ballot where they  
17 are incarcerated pending a trial. Is that not correct?

18 MR. MURRAY: Mr. Chairman, you raise a very  
19 key point, and there are only 400 counties in the  
20 United States that have what is called the pretrial  
21 program where a person is assessed, based on risk and  
22 danger. That's a major part of the assessment.

1           We don't want dangerous people out on the  
2 street, but you can't do that unless you interview the  
3 person, unless you have assessment protocols you use to  
4 guide you in figuring out who's dangerous and who's  
5 not. And who's mentally ill? Who needs to be diverted  
6 into treatment purposes? There's a new term now. It's  
7 called pre-entry. We should do it before they even  
8 come to jail, and they're doing it in the juvenile  
9 area.

10           MR. CONYERS: How can you do that if they  
11 haven't been arrested yet?

12           MR. MURRAY: Well, if they're arrested, well  
13 I'll give you an example: Multnomah County, Oregon.  
14 In the juvenile area they have a reception center.  
15 It's a secure place, but they analyze the child's needs  
16 at the reception center. They've cut juvenile  
17 detention by more than half in this country -- well, in  
18 that county -- and so one of our major initiatives is  
19 to promote, and we hope it could be done, maybe, in the  
20 Second Chance Act, emphasizing the importance of  
21 assessment and analysis. Most people are 64 percent of  
22 the people in jail are awaiting trial -- 64 percent.

1           In most cases, they're there, not because  
2 they're dangerous, but because they 're too poor to  
3 post bail. The bail bondsman is deciding who stays in  
4 jail, and we think it should be done by professional  
5 assessors who should determine another program that was  
6 initiated by your committee and by Bobby Scott was the  
7 JSIC program. This is another program and it had  
8 bipartisan support. Lamar Smith, and Scott, and you,  
9 Mr. Conyers, were prime instigators of that bill, and  
10 in many courts, you know, you come in and the option  
11 before the juvenile judge is simple probation or going  
12 to detention or going to a reform school.

13           There was nothing in the middle. There were  
14 no intermediate sanctions. As Jerome Miller would say,  
15 the choice was between an aspirin and a lobotomy.  
16 There was nothing in the middle, and that program is  
17 threatened now, as Tara pointed out: 100 million being  
18 chopped off of juvenile justice, and who knows where  
19 that chopping block will be.

20           MR. HELMKE: Mr. Chairman, I just wanted to  
21 add one other thing. It appreciate all the efforts  
22 that NACO has put in when I was a mayor and worked with



1 the U.S. Conference of Mayors and worked closely with  
2 them. One of the issues with regard to gun control  
3 relates directly to this issue of dangerousness; and we  
4 all want to keep dangerous people from being able to  
5 pass the background check when they buy a gun.

6 That means we need to get more records into  
7 the system, and there's arguments about some states  
8 have done a good job and some states haven't. A lot of  
9 it really relies on the counties being able to get  
10 those records out of people who are mentally dangerous,  
11 people who are drug users, whatever, into the system,  
12 and it's when local communities don't have the funds,  
13 and I've talked to the ones back in Indiana.

14 When they don't have the funds, then those  
15 records don't get to the state. They don't show up in  
16 the Brady background check system, and people are  
17 usually able to buy guns. So that's another one of the  
18 crucial reasons the county needs these funds to help  
19 keep dangerous people from being able to get guns  
20 easily. Thank you.

21 MR. CONYERS: Well, we passed the bill that  
22 you were referring to, Mr. Murray, but it didn't get

1 through the Senate again. It's been going since 2002,  
2 but it didn't get through this time.

3 MR. MURRAY: And we'll be working to push  
4 this in the Senate.

5 MR. CONYERS: Does anyone else have a  
6 question or comment of Mr. Murray of the counties?

7 MR. RABIN: I'd like to make a comment. In  
8 H.R. 1, moneys for account services -- moneys that are  
9 passed on down to states and local areas for health  
10 education and health promotion are cut. In addition,  
11 community health centers, which serve over 21 million  
12 people, those are uninsured at a local level.

13 Those on Medicaid often those of low income  
14 are compromised and made more difficult to provide  
15 services, services which historically, as a matter of  
16 fact, had been provided at a county level, but long ago  
17 were denied.

18 Funds for the services were denied. So I  
19 wonder what your thoughts are as to the consequences,  
20 health consequences, of eliminating both sources of  
21 care as well as education on promoting health.

22 MR. MURRAY: Well, you know, as I said

1 before, counties are the government of last resort when  
2 it comes to healthcare. I mean we have no one to  
3 delegate it to. We are in charge of healthcare at the  
4 local level, and we have 2500 county health departments  
5 in the country. We have over 500 county hospitals, and  
6 the clientele in many cases are poor people. So we are  
7 the lifeline for the poor, and if we can't provide  
8 these services, you know, we're in terrible shape.

9 MR. CONYERS: Thank you so very much, Mr.  
10 Murray.

11 Attorney Don Saunders is the Director of  
12 Civil Legal Services at the National Legal Aid and  
13 Defender Association. He's been dedicated to this work  
14 for many years, ensuring the delivery of legal services  
15 to those who may not be able to afford counsel.

16 Now, this derives, and I'll give you a moment  
17 to refer to the Constitutional basis for the work that  
18 you do at the National Legal Aid Association. The 5th,  
19 6th and 7th amendments to the Constitution are involved  
20 in your organizational work, and we're very glad that  
21 you're here with us and we welcome you.

22

//

1 STATEMENT OF DON SAUNDERS

2 MR. SAUNDERS: Thank you very much,  
3 Congressman.

4 It is my pleasure to be here on behalf of  
5 NLADA, the nation's largest and oldest organization  
6 dedicated solely to ensuring access to justice in the  
7 criminal and civil court system for people living in  
8 poverty in this country.

9 I would like on a pro bono basis to offer my  
10 inclusion of the chorus of thanks to you and  
11 Congressman Scott, your leadership particularly on  
12 defense issues, indigent defense issues, your many  
13 hearings across the country, your leadership in that  
14 area has really sent a strong message to this country  
15 about the importance of representation on the criminal  
16 side.

17 On the civil side, as you know, working with  
18 legal aid and defender in Detroit very closely, the  
19 challenges faced in civil legal services programs  
20 across the country are enormous, and again, you and  
21 Congressman Scott have been particularly important  
22 leaders moving access to justice on the civil side. I

1 have a number of issues of concern to NLADA included in  
2 C.R. 1. Certainly, Laura's mention of the Equal Access  
3 to Justice Act Amendment is something of great concern.

4

5           There's an elimination of a program of debt  
6 assistance that helps younger attorneys work in civil  
7 and public defender officers, and a host of issues  
8 related to criminal and juvenile defense, as you've  
9 already heard outlining we'll hear more about. I'm  
10 here today to specifically talk about one part of C.R.  
11 1, and that's its impact on the federally funded Legal  
12 Services Corporation.

13           LSC was created by Congress, signed into law  
14 by President Nixon. It provides the cornerstone,  
15 really, of the civil justice system in America. Unlike  
16 criminal defense where you have a Constitutional right  
17 to counsel on the civil side, there is no similar  
18 right. So you do have to look the 5th Amendment, 7th  
19 Amendment, other kinds of remedies, and without the  
20 support of the Federal Government as evidenced by the  
21 creation and federal support for the Legal Services  
22 Corporation.

1           It would be very hard for people living in  
2 poverty in this country to realize justice and the many  
3 issues that affect their lives. LSC is the largest  
4 source of funding for civil legal aid in American. It  
5 funds 136 programs across the United States, who at  
6 least theoretically serve every county in the United  
7 States.

8           H.R. 1 would eliminate \$70 Million in the  
9 current fiscal year from the LSC budget, and all of  
10 that cut would come from frontline services. None of  
11 the cut comes from the inspector general, or from the  
12 management office of LSC. It all comes from the basic  
13 field funding. That would amount over the remainder of  
14 the fiscal year to a 24 percent cut as it has to be  
15 implemented midstream. These cuts would come at the  
16 worst possible time given the impact the recession has  
17 had on clients and on legal aid programs.

18           There are now 57 million Americans eligible  
19 for civil legal assistance, almost 20 million of those  
20 are children. The program affected over eight million  
21 people last year, in 2009. Many of those low income  
22 people were women and minorities. We've also seen a

1 whole new group of people with legal needs that they've  
2 never had before as a result of the recession, newly  
3 poor people, people faced with losing their homes,  
4 losing their jobs.

5           The recession has taken quite a toll on those  
6 folks. We've seen, as you might imagine, with family  
7 violence growing because of financial pressures on  
8 families, domestic violence rates have spiked. Legal  
9 Services provides a critical role in protecting public  
10 safety and working with counties, sheriffs and others  
11 in ensuring that women and children who are in abusive  
12 relationships have the right to protection and  
13 protective orders.

14           Income and sustenance kinds of cases have  
15 gone through the ceiling. Food stamps, unemployment  
16 compensation, health and hunger kinds of challenges,  
17 we've seen a great increase in the need for veterans to  
18 have legal assistance. As you heard from Travis and  
19 others, though, one of the issues that you talked  
20 about, the loss of housing, thousands, if not millions  
21 of people who are facing homelessness, either because  
22 they've lost their rental assistance, or particularly

1 now, facing foreclosures, the rates of representation  
2 in foreclosure matters again have skyrocketed. Over  
3 20,000 people were represented in 2009 faced with  
4 foreclosures.

5 One of the Legal Aid cases from Connecticut  
6 led to a Congressional Act protecting renters, 40  
7 percent of the people who were negatively affected by  
8 foreclosures are renters who live in large homes, and  
9 at least Congress had provided some protection, again,  
10 without access to the legal services involved in those  
11 foreclosures.

12 Many, many thousands more people would be  
13 faced with homelessness. It's clear from studies that  
14 LSC has done, that even though LSC probably provides  
15 more representation than any other legal organization  
16 in this country with regard to foreclosures, they are  
17 turning away huger numbers of people for lack of  
18 resources. This cut would make it even harder for the  
19 many families facing foreclosures to get the legal  
20 counsel.

21 Studies have shown that legal representation  
22 can make all the difference in the world in a



1 foreclosure case. These cuts also come at a time when  
2 state and local revenues are also feeling the impact of  
3 the recession, the second largest source of legal  
4 services funding, the IOLTA program, which is an  
5 interest based program is off 57 percent.

6 So just very briefly, the on the ground  
7 impact of the cuts on H.R. 1 would be probably 370 to  
8 400 lawyers would have to be laid-off. A number of  
9 offices would be closed across the country,  
10 particularly in rural areas try to keep a presence in  
11 rural communities. It may only be one or two lawyers,  
12 or a paralegal and a lawyer. Those offices would have  
13 to close.

14 Probably 160 or 170 fewer Americans would  
15 receive legal assistance as a result of those cuts, so  
16 we are very concerned about the impact. And, again, I  
17 thank you, Mr. Conyers, for the opportunity to share  
18 those views with you.

19 MR. CONYERS: Attorney Saunders, thank you.

20 Is that 300 to 400 lawyers working on the  
21 civil side of the National Legal Aid?

22 MR. SAUNDERS: It would be close. It's about

1 375 is the projections made by the Legal Services  
2 Corporation. LSC's funding cuts would result in  
3 something like 375 or more attorneys losing their job  
4 and therefore their clients.

5 MR. CONYERS: But civil or criminal?

6 MR. SAUNDERS: Civil, okay.

7 Attorney Brodnax is now going to take the  
8 criminal part. Pleasant Brodnax, a longtime member of  
9 the bar, the Criminal Justice Act representative for  
10 the District of Columbia who represents attorneys  
11 accepting cases in the District of Columbia federal  
12 court, since that's the only kind they can have here,  
13 and has been a former assistant attorney general in  
14 Virginia, and later the attorney with the office of  
15 chief counsel for the Bureau of Export.

16 Now, in the Constitution, attorney Brodnax,  
17 Amendment 6, unlike the civil proceedings, require that  
18 "in all criminal prosecutions that a person has the  
19 right to have the assistance of counsel for his  
20 defense, and is also entitled to the right to a speedy  
21 trial." And so we welcome you here to discuss that and  
22 other considerations about your important work.

1 STATEMENT OF PLEASANT BRODNAX, III

2 MR. BRODNAX: Thank you, Mr. Conyers. Mr.  
3 Conyers, as most people in this room know, I'm sure as  
4 most Americans know, when you are arrested or charged  
5 with an offense you have the right to remain silent.  
6 You have the right to an attorney, and if you cannot  
7 afford an attorney, one would be appointed to you.

8 As you have stated, the 6th Amendment states  
9 "In all criminal prosecutions," and this is since 1791.  
10 "In all criminal prosecutions, the accused shall enjoy  
11 the right to a speedy and public trial and to have the  
12 assistance of counsel for his defense." In 1938 the  
13 Supreme Court of the United States stated that the  
14 assistance of counsel is one of the safeguards of the  
15 6th Amendment deemed necessary to ensure fundamental  
16 human rights of life and liberty.

17 The 6th Amendment stands as a constant  
18 admonition that if the Constitutional safeguards it  
19 provides be lost, justice will not still be done. Some  
20 25 years later in the seminal case of Gideon v.  
21 Wainwright, the 6th Amendment was made applicable to  
22 the states through the due process clause of the 14th

1 Amendment. And in that case Justice Black, noting the  
2 importance of counsel for people in criminal cases says  
3 that "Government hires lawyers to prosecute, and  
4 defendants who have the money hire lawyers to defend,  
5 are the strongest indications of the widespread belief  
6 that lawyers in criminal courts are necessities, not  
7 luxuries. The right of one charged with crime to  
8 counsel may not be deemed fundamental and essential to  
9 fair trials in some countries, but it is in ours."

10 In order to protect what the Supreme Court  
11 decided in 1963 in that case, in 1964 this Congress  
12 passed something called the Criminal Justice Act of  
13 1964, and that Act established federal defender  
14 organizations throughout the country, and also noted in  
15 the act that private attorneys shall be appointed in a  
16 substantial portion of the cases. Now, what H.R. 1  
17 will do will put a hard freeze on the defender services  
18 budget.

19 At the House level, the Judiciary would have  
20 to stop payment for the last five weeks of fiscal year  
21 2011 to private panel attorneys, such as myself, who  
22 provide defense services required under the

1 Constitution and authorized under the Criminal Justice  
2 Act. This would impact approximately 11,000 criminal  
3 cases. Confronted with the planned suspension of those  
4 payments, some panel attorneys might decline CJ  
5 representation or seek trial stays rather than risk the  
6 financial ramifications of working unpaid for so long.

7 In light of the inability of criminal trials  
8 to proceed without defense counsel, and the time limits  
9 set by the speedy trial act, which are 60 days from  
10 arraignment, the unavailability of panel attorneys  
11 would present unique legal issues and could lead to the  
12 dismissal of some complaints and indictments against  
13 alleged felons, including violent felons. If there was  
14 a government shutdown, that could also have an impact  
15 on the payment, not just of the Criminal Justice Act  
16 lawyers, but also of the ability of the courts to  
17 operate. I believe the courts may have fees that they  
18 could rely on for some period of time that they collect  
19 over the years, but I don't know how much that is and I  
20 don't know how long that would last.

21 MR. CONYERS: Thank you very much. You raise  
22 a host of very important considerations, because I

1 don't know if there's anybody here to talk about this,  
2 but the federal court system, itself, is being impacted  
3 by H.R. 1, and I hope that we get into that somewhere  
4 along the line.

5 Our next witness is Ms. Susan Krehbiel, Vice  
6 President for Protection and Programs of the Lutheran  
7 Immigrant Refugee Services, and is responsible for  
8 Refugee Resettlement Asylum, Immigration Services and  
9 Child Welfare Services to unaccompanied children.

10 Would you explain, Ms. Krehbiel, what it is  
11 your organization does and how you're impacted by H.R.  
12 1?

13 STATEMENT OF SUSAN KREHBIEL

14 MS. KREHBIEL: Certainly. Thank you very  
15 much, Mr. Conyers. It's a pleasure to be here this  
16 morning, and I am going to shift gears a little bit  
17 from some of the topics, although what I'm going to  
18 talk about certainly is impacted by all the other  
19 things that you have raised today.

20 Lutheran Immigration Refugee Services is a  
21 national organization working with uprooted people. We  
22 were established in 1939, having resettled over 300,000

1 refugees since that time, 6,000 of whom have entered as  
2 unaccompanied children. And I am here to speak to you  
3 today about the negative impacts of the continuing  
4 resolution on refugees and immigrants, and the  
5 communities across the United States that welcome them.

6  
7 I would like to make comments in two regards,  
8 one acting as a government internationally as well as  
9 how we partner with our state and local partners. The  
10 U.S. has been a leader in refugee protection, providing  
11 aid to millions of refugees around the world, some who  
12 spend years waiting for the opportunity to return to  
13 their home countries, while others look to integrate  
14 into their new homes, a very small fraction of whom are  
15 resettled every year to the United States.

16 In fiscal year 2010 the U.S. Government  
17 admitted just over 73,000 refugees, which represents  
18 one-half of one percent of the world's 50 million  
19 refugees. And while resettlement to the United States  
20 is a tremendous opportunity for those who are resettled  
21 here, millions of refugees continue to live in  
22 vulnerable and dangerous situations, the majority in

1 the world's most poorest countries, 270,000 Darfuri  
2 refugees, for example, right now in refugee camps in  
3 Eastern Chad.

4 Providing assistance to refugees serves a  
5 number of national interest. It enhances our ability  
6 to encourage other nations to protect refugees from  
7 return to tyranny, torture, civil unrest, and it allows  
8 the United States to further its foreign policy by  
9 promoting peace and security to unstable parts of the  
10 world. And, finally, it fulfills a moral imperative we  
11 have to assist the worlds most vulnerable.

12 Our humanitarian response needs to be  
13 understood as part and parcel of our international  
14 diplomacy not distinct from it. The Department of  
15 State's Bureau of Population, Refugees and Migration  
16 helps save lives and alleviates the suffering of  
17 refugees by providing basic lifesaving service, such as  
18 shelter, clean water, sanitation and programs like  
19 education for children. It is also through the Bureau  
20 of Population, Refugees and Migration that we resettle  
21 and admit refugees by the hundreds in to this country.

22 The CR would cut PRM funding by over \$830



1 Million. That represents 45 percent of its current  
2 programming. Such a drastic cut in funding would have  
3 a significant impact on the ability of the U.S.  
4 Government to provide assistance to areas of the world  
5 that are of strategic, national security interest. It  
6 would also decrease the U.S. Government's capacity to  
7 meet its targeted missions this year of 80,000  
8 refugees, and limit our flexibility to respond to  
9 emerging crises, just as those that are happening right  
10 now in the Arabic world.

11 For example, the PRM assisted the return of  
12 more than 325,000 Sudanese refugees over the past five  
13 years, the return of five million Afghan refugees since  
14 the fall of the Taliban. This cut in PRM funding would  
15 curb our ability to assist in this kind of situation.  
16 The CR would also cut 67 percent of funding for  
17 assistance to internally displaced persons provided  
18 through the International Disaster Assistance count.  
19 These cuts would drastically reduce the U.S.  
20 Government's ability to provide lifesaving relief  
21 services and aid to victims to people in places like  
22 Haiti, Afghanistan and Colombia.

1           Domestically, the Office of Refugee  
2 Resettlement within the Department of Health and Human  
3 Services provide services to refugees and asylees as  
4 well as victims of trafficking and torture.  
5 Unaccompanied immigrant and refugee children, and  
6 certain Cuban and Haitian migrants. In fiscal year  
7 2009, OR provided services to an estimated 120,000  
8 individuals who are newly arrived among these groups,  
9 not to mention thousands of others who arrived in the  
10 past few years.

11           The U.S. Government admits the world's most  
12 vulnerable refugees, many having experienced torture or  
13 trauma, and a growing percentage arriving with severe  
14 medical challenges. Iraqi refugees in need of  
15 prostheses due to war injuries is just one example. OR  
16 funding has not kept up with the needs of these diverse  
17 and vulnerable populations. A situation exacerbated by  
18 the fact that it's now harder than ever for refugees to  
19 find jobs and become self sufficient. They are  
20 survivors, but they are not immune to the forces  
21 described by others here today.

22           The continuing resolution would rescind \$77

1 Million in unobligated OR funding, nearly 10 percent of  
2 their budget. Much of these unused funds come from  
3 delays in receiving reimbursement requests from the  
4 states that have already provided cash and medical  
5 assistance to these refugees. OR is required to pay  
6 back these states; therefore, this rescission would  
7 divert funding from other OR budgeted areas in order to  
8 meet this obligation to the states for services already  
9 rendered, making it even harder to meet the needs of  
10 refugees and other newcomers this year.

11 One example of that we have seen is that  
12 since the institution of the Unaccompanied Refugee  
13 Minors Program, a program very dear to my organization  
14 -- established now over 30 years -- we have for the  
15 first time in the last year heard HHS express concerns  
16 about being able to fund this program for unaccompanied  
17 refugee children. Finally, the cut of \$11 Million in  
18 Department of Homeland Security Citizenship and  
19 Immigration Services, its funding for integration  
20 initiatives, which help promote citizenship to  
21 immigrants and refugees. The elimination of this  
22 funding would undercut current efforts to help provide

1 legal immigrants with information and tools to become  
2 U.S. citizens and encourage their integration into  
3 American communities.

4 On behalf of LIRS, I urge you to work with  
5 House leadership, your Senate colleagues and the White  
6 House to restore the 2011 funding for refugees and  
7 immigrants. Thank you.

8 MR. CONYERS: Thank you very much. You know,  
9 I know at the Secretary of State's office they would  
10 add another reason to your very fine testimony that we  
11 support the immigrant refugee services is that the way  
12 we treat refugees encourages other countries in which  
13 Americans are in their country to reciprocate the kinds  
14 of respect and fairness that we treat those people that  
15 are from those countries.

16 MS. KREHBIEL: Yes. We are seen as a leader  
17 and we are expected to act like a leader. And I have  
18 certainly witnessed over the years when we've had  
19 punitive actions in our own country towards refugees  
20 and newcomers that that's been replicated in other  
21 countries. When we decrease our support, other  
22 countries decrease their support.

1 MR. CONYERS: Thank you so much.

2 Now we come to copyright, trademark and  
3 patents, and that's where attorney Kirsten Zewers comes  
4 in, because she's the counsel for the Intellectual  
5 Property Owners Association. Now, this is one that  
6 we've worked on, an area we worked in very  
7 consistently, because innovation, the protection of  
8 people's inventions or writings, or other intellectual  
9 property works is important to create jobs.

10 The problem is that IPO office is years  
11 behind in processing some of these protections; and,  
12 I'd like attorney Zewers to enlarge upon this  
13 discussion and how H.R. 1 affects it. Welcome.

14 STATEMENT OF KIRSTEN ZEWERS

15 MS. ZEWERS: Thank you so much, Mr. Conyers,  
16 for holding this important forum; and, you're exactly  
17 right. The PTO has a huge backlog and needs funding  
18 right now. And it's my pleasure today to speak on  
19 behalf of the Intellectual Property Owners Association  
20 and really stress the important issue of funding the  
21 Patent and Trademark Office.

22 IPO is a trade association representing

1 companies and individuals, and all industries in fields  
2 of technology, who own or are interested in  
3 intellectual property rights. Our membership includes  
4 more than 250 companies, and over 11,000 individuals.  
5 We represent a broad spectrum of large and mid-sized  
6 companies in industries ranging from information  
7 technology to consumer products, to pharmaceuticals and  
8 biotechnology.

9 We also have small business and independent  
10 inventor members. Collectively, our members file  
11 approximately 30 percent of the patent applications  
12 filed in the United States Patent and Trademark Office.

13 While our members may not agree on everything, they  
14 all agree that the United States needs an effective PTO  
15 to keep our nation competitive, encourage innovation  
16 and create new jobs.

17 IPO urges Congress to promptly pass a funding  
18 measure allowing the PTO to utilize all of the user  
19 fees it collects from our members and other members of  
20 the public. The budget proposal for funding the  
21 government for the remainder of fiscal year 2011, H.R.  
22 1, does not satisfy this request. It merely extends

1 the current continuing resolution, which limits PTO  
2 spending to the fiscal year 2010 appropriations rate.  
3 This means that the PTO is collecting and will continue  
4 to collect over \$1 Million per day that it cannot put  
5 to work to review and grant patents.

6 We believe patent rights granted by the PTO  
7 provide critically important incentives for inventors  
8 and businesses to invent, to invest in research and  
9 development, and to commercialize technology.  
10 Industries that are innovation intensive have a much  
11 stronger record of creating manufacturing and service  
12 jobs than industries that are less innovative. Such  
13 jobs produce competitive products and services for the  
14 domestic and export markets.

15 Simply put, patents mean jobs for the U.S.  
16 economy. Thus, funding the PTO at a level equal to fee  
17 collections is critically important to innovation, job  
18 creation and the health of the U.S. economy overall.  
19 We appreciate the bipartisan and bicameral efforts of  
20 members of the House and Senate Judiciary and House and  
21 Senate CJS appropriations subcommittees to fully fund  
22 the PTO in the past. This same cooperative spirit is

1 needed now.

2 As you, Mr. Conyers, and the members of the  
3 House Judiciary Committee know well, the PTO is 100  
4 percent funded by user fees; therefore, no general  
5 taxpayer dollars are at stake. In addition to granting  
6 the PTO access to all fiscal year 2011 estimated fee  
7 collections IPO strongly supports including a buffer in  
8 the legislation to allow the PTO to spend 100 million  
9 to 200 million more than the estimated fee collections,  
10 if actual fee collections in 2011 exceed estimates.

11 Lastly, IPO members are even willing to pay  
12 an additional 15 percent surcharge on major patent fees  
13 during the remainder of fiscal year 2011, provided that  
14 the surcharge would be available to the agency. These  
15 provisions were all part of the original House CJS  
16 appropriations bill for this fiscal year. At a recent  
17 House Judiciary oversight hearing, PTO director David  
18 Capos testified that, and I quote:

19 "Should the continuing resolution be extended  
20 for the full year and hold the U.S. PTO to the prior  
21 year funding level, we will have to halt all hiring,  
22 overtime, IT improvements and PCT outsourcing. As a



1 result, some of the progress we have made to reduce our  
2 backlog and pendency would be reversed and we would  
3 expect these key metrics to begin moving in the wrong  
4 direction." IPO agrees that the funding problem is  
5 urgent and must be addressed now.

6           According to the latest estimates, if H.R. 1  
7 is enacted, the PTO could likely collect and not be  
8 able to use between \$184 Million and about \$295 Million  
9 this fiscal year, depending on whether a 15 percent  
10 surcharge is enacted for the rest of the fiscal year.  
11 Meanwhile, the backlog at the PTO continues to be  
12 untenably long.

13           PTO access to these user fee dollars can be  
14 the difference between success and failure for the  
15 agency in stimulating the economy and creating American  
16 jobs. For these reasons, IPO urges Congress to  
17 promptly pass a funding measure allowing the PTO to  
18 utilize all the user fees it collects this fiscal year  
19 and in the future.

20           Thank you so much, again, for the opportunity  
21 to participate in this forum, and I welcome any  
22 questions you have.

1 MR. CONYERS: Thanks, attorney Zewers. Now,  
2 you're saying that they're asking for increased funding  
3 and H.R. 1 is cutting their funding. Is that correct?

4 MS. ZEWERS: They're asking to be able to use  
5 all of the user fees, the IPO members and other members  
6 of the public pay to the agency for the purpose of  
7 processing applications.

8 MR. CONYERS: Well, what is the answer to my  
9 question?

10 MS. ZEWERS: The answer is they are looking  
11 to be appropriated all the fees that they collect, not  
12 to increase, but to be appropriated all the fees that  
13 they collect.

14 MR. CONYERS: All right. Now how long does  
15 it take to process an application at the Patent and  
16 Trademark Office.

17 MS. ZEWERS: I don't have those numbers in  
18 front of me, but I thought it was someplace around 35  
19 months.

20 MR. CONYERS: How about 36 months?

21 MS. ZEWERS: That sounds right.

22 MR. CONYERS: Well, then, if H.R. 1 is put

1 into effect, that would mean that it would take more  
2 than 36 months.

3 MS. ZEWERS: If H.R. 1 is put into effect, it  
4 would mean that the Patent and Trademark Office is  
5 limited to 2010 fee collections, 2010 appropriations  
6 levels, which means that they continue to bring in over  
7 a million dollars a day that they cannot then put into  
8 processing those applications and reducing the backlog  
9 and hiring experienced examiners.

10 MR. CONYERS: So what's the answer to my  
11 question?

12 MR. ZEWERS: So the answer to your question  
13 is yes.

14 MR. CONYERS: Thank you. All right. Our  
15 next witness is Damon Moglen, Director of Climate and  
16 Energy at the Friends of the Earth, an organization,  
17 obviously, dedicated to protecting the environment.  
18 And he came from Greenpeace, another agency that is  
19 created to protect the environment, and we welcome you  
20 here for your comments about how the bill impacts all  
21 the work that you and the former Vice President of the  
22 United States has put in on environment and climate

1 issues.

2 STATEMENT OF DAMON MOGLEN

3 MR. MOGLEN: Well, thank you, Mr. Conyers,  
4 for inviting us here today and for letting us also talk  
5 about the major environmental impacts of these  
6 decisions.

7 Most of the organizations here today will  
8 talk about the negative impacts of cuts to their  
9 programs on the services that will be lost to some of  
10 the most vulnerable segments of society of the impact  
11 of funding rescissions on the ability of small  
12 businesses to grow and prosper. We, too, in the  
13 environmental community have grave concerns regarding  
14 some of the cuts proposed and passed in House  
15 continuing resolution.

16 Along with state and local governments,  
17 Friends of the Earth strongly opposes the 1.4 billion  
18 in cuts to the clean water state revolving funds.  
19 These cuts put Americans at risk of sewage and urban  
20 runoff pollution. Along with public health  
21 organizations, we strongly oppose the proposed cuts,  
22 EPA's authority to regulate the clean air act.

1           The EPA estimates that clean air regulations  
2 saved more than 160,000 lives in 2010 alone. Cuts  
3 included in the continuing resolution threaten drinking  
4 water supplies for more than 100 million Americans, and  
5 endanger thousands of streams and wetlands across the  
6 country by blocking EPA's ability to restore Clean  
7 Water Act protections for these waterways.

8           We oppose the proposed cuts that will stop  
9 the EPA from treating coal ash as toxic waste. This  
10 dangerous coal ash, leftover waste from coal fire power  
11 plants, contain such highly toxic pollutants as  
12 mercury, hexavalent chromium and arsenic, which are  
13 associated with cancer and other serious health  
14 effects. Stopping the EPA from taking action would  
15 threaten communities around the country and will leave  
16 the polluters with the legal right to continue to dump  
17 coal ash in unlined pits and ponds.

18           The continuing resolution also eliminates the  
19 EPA's greenhouse gas reporting registry, one of many  
20 attacks on the Administration's efforts to plan for the  
21 future, to understand where our emissions are coming  
22 from, so we can find ways to curtail in the future.

1 This is not simply an attack on a small program within  
2 the EPA. It is an attack on our nation's ability to  
3 plan for the future. All these pollution control and  
4 public health provisions are gutted in the continuing  
5 resolution that passed the House.

6           They represent core regulations, which have  
7 protected generations of Americans, ensuring safe water  
8 to drink, clean air to breathe, and safe soil on which  
9 to farm and live. All of these regulations are based  
10 on sound science. Opponents aren't just working to  
11 unravel the very fabric of our environmental safety  
12 net. They are working to prevent sound science from  
13 driving our policies. But, I'm also here today to talk  
14 about the good cuts that can and should be made, and  
15 about new sources of revenue that can be found.

16           There is absolutely no reason to cut vital  
17 social services, the EPA, healthcare, clean energy  
18 investments, NPR or Americorps at the same time that we  
19 are literally giving 10s of billions of dollars away to  
20 the oil, gas and coal industries. Friends of the Earth  
21 with our colleagues Taxpayers for Common Sense and the  
22 Green Scissors Coalition, have identified over \$200

1 Billion of such wasteful spending. This spending  
2 subsidizes pollution, and it can be cut from the budget  
3 without doing any harm to the programs and agencies  
4 that keep our food and water safe, and our most  
5 vulnerable populations protected.

6 MR. CONYERS: Would you like to put that  
7 document in the record?

8 MR. MOGLEN: Yes, I'd very much like to. I'd  
9 like to actually ask that we do that, and we'd love to  
10 work with you with more of the figures.

11 Being fiscally responsible and  
12 environmentally conscious are not mutually exclusive.  
13 We can save money by protecting the environment. We  
14 can save over \$15 Billion a year by ending subsidies to  
15 the fossil fuel industry. If funding is going to be  
16 cut from the budget, let's start there, and not by  
17 taking away nutritional support for little kids. I did  
18 a little back of the envelope calculation while the  
19 presenters ahead of me were talking.

20 They were talking about the hugely damaging  
21 impacts of a few hundred millions of dollars in cuts  
22 proposed through the CR, a number that's hard for most

1 Americans to wrap their heads around, and there's no  
2 question that those are substantial cuts. But Friends  
3 of the Earth has identified over \$72 Billion that goes  
4 to one industry alone, the oil and gas industry.

5 Everyone is talking about tightening belts,  
6 making hard decisions, asking the poor and middle class  
7 to carry more of the burden. Yet, every five years we  
8 squander another \$70 Billion of our nation's scarce  
9 resources on a profitable, mature industry. Where's  
10 the justice in that?

11 The President's budget proposes to eliminate  
12 over 57 billion in fossil fuel subsidies over the next  
13 five years. We support the President's efforts, but he  
14 can and must go further. If we as a nation are going  
15 to be serious about fiscal responsibility, then we must  
16 eliminate these egregious and unproductive spending,  
17 instead of going after Pell grants, instead of cutting  
18 home heating assistance to the poor.

19 Here's what we can do. We can eliminate  
20 subsidies, for example, oil drillers in the gulf of  
21 Mexico who pay zero royalties. This would generate  
22 almost \$7 Billion in five years. We can eliminate a



1 Department of Energy Loan Guarantee program for the  
2 coal industry for CCS technology that's going nowhere,  
3 which would save us \$8 Billion over five years; or, we  
4 could end subsidies for dangerous nuclear power, which  
5 would effectively put \$46 Billion on the table over  
6 five years.

7           The House majority is ignoring all the other  
8 spending. IF we are going to be serious about growing  
9 our economy and getting out of debt, we need to look at  
10 the tax side of the budget as well as the  
11 appropriations. Tax expenditures are almost equal to  
12 discretionary outlays. Let me repeat that. The amount  
13 of money we give away in tax breaks is almost equal to  
14 our totally discretionary outlays.

15           So as we prepare for more budget battles  
16 ahead, we need to dramatically change the debate about  
17 what spending is. We need to make Republicans and  
18 Democrats alike, and everyone in American, for that  
19 matter, understand that tax expenditures are spending.

20       Until Congress looks at the side of the spending  
21 ledger, critical government programs that we care about  
22 from refugee assistance to financial oversight to clean

1 water will be in danger.

2 We also need to find ways of raising  
3 additional revenue, and we can do it in ways that  
4 promote a clean environment, such as instituting a  
5 carbon tax and placing a real tax on pollution. Other  
6 creative initiatives are already being considered.  
7 Representative Pete Stark has just reintroduced the  
8 bill to tax Wall Street currency speculation, which  
9 would generate \$5 Billion a year for deficit reduction,  
10 HIV AIDS treatment, and to help the world's poorest  
11 countries deal with the devastating impacts of climate  
12 change.

13 The fiscal crisis presents a turning point  
14 for our national policies and priorities. We can  
15 either make the poorest and middle class pay,  
16 compromise environmental health and lavish polluters  
17 with subsidies, or we can protect people in the  
18 environment while closing harmful tax loopholes and  
19 building a sustainable and stronger economy.

20 I'd like to thank you again for this  
21 opportunity, Congressman Conyers, to speak, and I would  
22 very much like to have this entered as part of our

1 comments, our report. Thank you very much, sir.

2 MR. CONYERS: Thank you for that very  
3 powerful statement on behalf of Friends of the Earth.  
4 Now, could I ask you to submit some additional  
5 materials, because what you said is going to generate  
6 quite a bit of discussion in and out of the Congress,  
7 obviously. And would it be asking too much to invite  
8 you to help me and those that work with me and the  
9 Congress to be able to defend every statement that you  
10 made here today?

11 MR. MOGLEN: It would be a very great  
12 pleasure to do so. The study that we're talking about,  
13 the Green Scissors report, has actually been put out  
14 every year for 15 years. And it's, I think, a really  
15 quite remarkable resource that talks about the ways in  
16 which we can be making cuts of this vast kind while  
17 protecting the environment, and we'd love very much to  
18 be working with you.

19 We think that this is really a dramatic  
20 moment to make some major decisions. We're going to  
21 hand out money to the polluters, or are we going to  
22 protect the environment and get our budget back on

1 track?

2 MR. CONYERS: Now, how many pages is the  
3 document that we've accepted into the record?

4 MR. MOGLEN: It's about 21 pages, and we can  
5 provide all kinds of charts and background materials on  
6 these subsidies for you.

7 MR. CONYERS: Well, I can tell you, 21 pages  
8 wouldn't even get us started on the statements that you  
9 have directed. That's why I know we're going to --  
10 well, if we aren't able to defend what you've said, and  
11 I don't mind quoting you as the authority from which I  
12 got the information, but share a little bit of my  
13 responsibility. I've got to prove what you said, and  
14 that's going to take more than 28 pages.

15 MR. MOGLEN: But I think we have some very  
16 simple charts alone from the federal budget that are  
17 going to be --

18 MR. CONYERS: Press your microphone, please.

19 MR. MOGLEN: I think that the facts really  
20 speak remarkably for themselves. Here, for example, is  
21 a chart that just shows the subsidies that we hand out  
22 to the coal industry. And in a five-year period, we

1 have a total savings of over \$19 Billion, so, I mean  
2 the charts speak for themselves. These are the  
3 federally available numbers.

4 I think there can't be much refutation. The  
5 question is who do you want to give money to, and who  
6 do you want to protect: the polluters or the people.

7 MR. CONYERS: Well, you've already agreed  
8 with me that we're going to need more than 28 pages.  
9 Is that right?

10 MR. MOGLEN: These are, of course,  
11 complicated issues. As we all know, we have to keep  
12 these short so people read them, but I can assure you  
13 that the research behind it goes on for quite a lot,  
14 and we can provide lots and lots of documentation as  
15 with our colleague organization, Taxpayers for Common  
16 Sense.

17 MR. CONYERS: That's your way of saying yes?

18 MR. MOGLEN: Yes, yes, yes!

19 MR. CONYERS: Okay. Well, see, this is a  
20 great setting that we're in, but having called this  
21 forum, either I have to be able to defend it, of  
22 course, I can call you every time somebody challenges

1 anything you send. But it would be good if I were  
2 aware of it. I hadn't seen the document that we've  
3 accepted into the record, but the issues that you raise  
4 are of such magnitude that I think we're going to need  
5 to prove what you said. And, sometimes, a statement  
6 substantiating what you have said doesn't end the  
7 discussion.

8 I mean there are also opposite positions with  
9 other papers, and I don't want to build a library on  
10 your ten minutes worth of testimony of this afternoon.

11 But the fact remains that if we could prove this case  
12 and maybe I should read your 21 pages first, and maybe  
13 I'll call you up after this hearing and say that's all  
14 we need. That completes that this is a clear case I'm  
15 persuaded that I can discuss this matter with anybody  
16 in or out of Congress that what David Moglen said is  
17 correct, that will be great.

18 If that happens, it will be the first time  
19 that that has ever happened to me, but I think I'm  
20 going to need a lot of help from the Friends of the  
21 Earth, and I appreciate your testimony very much.

22 Now, David Rabin, a doctor who teaches and is

1 a Research Professor at Georgetown University Medical  
2 Center is well-known to those of us that have been  
3 working on the concept of universal healthcare and the  
4 healthcare reform bill recently signed into law. He  
5 directs the Division of Community Healthcare Studies,  
6 and is also involved in the global health education  
7 program at Georgetown University. We are very proud to  
8 have him join us here today for his comments. Welcome,  
9 Dr. Rabin.

10 STATEMENT OF DAVID RABIN, MD

11 DR. RABIN: Thank you very much, Mr.  
12 Chairman.

13 MR. CONYERS: How about turning your  
14 microphone on?

15 DR. RABIN: I want to thank you also for your  
16 dogged pursuit of a sustainable Medicare for all  
17 healthcare system.

18 Today I will talk about the deleterious  
19 effects of defunding the PPACA, PPACA legislation, in  
20 H.R. 1. This legislation was passed to improve our  
21 problematical and inefficient healthcare system, a  
22 system that has given us the highest cost and the worst

1 health outcomes among the developing nations of the  
2 world. I will do this first by commenting on some of  
3 the most significant provisions of the legislation that  
4 will be denied our citizens should the funding be  
5 sustained; second, by focusing on the consequences of  
6 our unsustainable costs; and, third, by suggesting how  
7 we can learn to contain these costs.

8 My first point, PPACA defunding will have its  
9 most dramatic effect by denying insurance coverage to  
10 34 million people. Being uninsured will lead to more  
11 than 45,000 deaths annually. As the number increases,  
12 there will be more deaths each year. Much of the costs  
13 of care provided by those who are uninsured are passed  
14 on to all of those who are insured, contributing to the  
15 ever rising cost of health insurance. For example, all  
16 the young medical students I teach who now are covered  
17 by the parents' insurance will suddenly lose their  
18 insurance as access to family coverage 'til age 26  
19 disappears.

20 Significantly, many people with preexisting  
21 conditions will again be denied affordable insurance.  
22 All the remaining insured, all of us, will suffer a



1 loss of the medical value of their insurance as the  
2 amount of premium paid for healthcare decreases below  
3 80-85 percent. More people will enter medical  
4 bankruptcy as limits of annual and lifetime payments  
5 prohibited by the legislation are reached.

6 More insidiously, as less is paid out for  
7 medical care and as premiums rise, the content of  
8 medical insurance will be reduced, fewer preventive  
9 services paid for, more limited drug availability, less  
10 institutional care provided or paid for at least.  
11 Unfortunately, the higher out-of-pocket cost for care  
12 through deductibles and coinsurance will force  
13 employees to purchase insurance that provides these  
14 fewer benefits.

15 Employers, in turn, concerned about their  
16 rising healthcare costs, will offer insurance options  
17 with loser cost and lower benefits. Already, only 58  
18 percent of employers offer health insurance to their  
19 employees, down from 87 percent and certain to fall  
20 further. This makes group insurance, the more  
21 affordable type insurance, available to even fewer  
22 people. Of those with affordable insurance, 15 percent

1 and rising each year, have high deductible, high out-  
2 of-pocket insurance; in reality, under insurance.

3           Such barriers to adequate health insurance  
4 has its consequences. Those who pay more out of pocket  
5 delay care. They are diagnosed with disease at a later  
6 state. They do not benefit from continued, necessary  
7 medical therapy for common chronic diseases such as  
8 diabetes, hypertension, heart disease, even cancer.  
9 They develop avoidable complications of these diseases.  
10 And when bankrupt by the costs of uninsured care, they  
11 become eligible for Medicaid.

12           As a consequence, states, now economically  
13 stressed, will have ever more and sicker than necessary  
14 people entering into their Medicaid systems,  
15 exacerbating the states' financial crises. In many  
16 states, Medicaid is the states greatest and least  
17 controllable expenditure. In addition, people  
18 uninsured before eligibility for Medicare, our national  
19 single payer system, experience higher expenditures  
20 than others for at least five years after entering the  
21 program.

22           They thus compromise the fiscal law being

1 Medicare for all workers contributing to Medicare and  
2 to all Medicare beneficiaries. Further, defunding  
3 PPACA will mean that the additional costs of Medicare  
4 Advantage, 9 to 13 percent higher than for those in  
5 traditional Medicare, will further erode the Medicare  
6 Trust Fund, PPACA, and provides that Medicare Advantage  
7 costs be gradually reduced to more equitable and  
8 comparable levels.

9 My second point: Defunding PPACA with its  
10 negotiated price adjustments and cost containing  
11 features is estimated by the CBO to increase federal  
12 health expenditures by \$230 Billion; thus, while  
13 intending to contain the deficit allegedly, we are  
14 actually increasing the medical deficit and the federal  
15 deficit. This worsening of the deficit as to the  
16 annual, unsustainable increases in healthcare costs,  
17 averaging six percent annually twice the increase in  
18 wages.

19 Rising healthcare costs make wages increasing  
20 beyond inflation impossible, so that fewer people will  
21 share the American dream of increasing prosperity.  
22 Already, the high cost of healthcare not covered by

1 insurance accounts for 65 percent of bankruptcies, 75  
2 percent of which are incurring to people who are  
3 already insured.

4           The healthcare liabilities industry have  
5 precipitated bankruptcies among auto equipment  
6 manufacturers and the airlines. To avoid health  
7 insurance costs, manufacturers have moved offshore to  
8 nations like Canada, Mexico or Asia, where healthcare  
9 and health insurance costs are far lower. Our nation  
10 cannot afford to encourage such bankruptcies and the  
11 loss of jobs precipitated by our national inability,  
12 unwillingness to contain healthcare costs.

13           The critical financial situation of our  
14 states and municipalities, unable to fund their health  
15 and pension benefits, are now so dramatically in the  
16 headlines from Wisconsin, California and Ohio. Our  
17 cities scream for redress, redress not by defunding  
18 PPACA, withdrawing these promised benefits, but by  
19 containing costs so that obligations can be met.

20           My third point: Continued failure to contain  
21 costs and the inability to evaluate many of the  
22 promising cost-containing ideas of PPACA, such as the

1 medical home, chronic disease management, negotiated  
2 prices and bundled payments, will ensure exacerbation  
3 of both our health expenditures and our worsening  
4 health status. We must at least maintain the full  
5 benefits of existing legislation in PPACA.

6 We must also learn from the experience of  
7 other nations. They have been able to provide  
8 universal healthcare, which we can't -- and don't --  
9 even under PPACA, at half our cost with better  
10 population health outcomes. We must learn from their  
11 experience as to how to contain costs. Other developed  
12 nations use some variation of a single payer  
13 healthcare, Medicare for all system, money collected  
14 for all for care, but privately spent as reflected in  
15 H.R. 676. Only then can we continue to compete, to  
16 thrive, and to attain the health status of other  
17 developed nations.

18 Thank you, Mr. Chairman.

19 MR. CONYERS: Thank you, Dr. Rabin, very,  
20 very much.

21 We now come to a related health issue,  
22 because community clinics are so vital for people that

1 don't otherwise have the insurance to enter the  
2 mainstream, and Mr. Dan Hawkins is the vice president,  
3 senior vice president of the National Association of  
4 Community -- oh, wait a minute. No. I'm sorry.

5 I wanted to introduce Mr. Arley Johnson, A-r-  
6 l-e-y Johnson, the director of the National Association  
7 For State Community Service Programs, which includes  
8 community clinics, which are so absolutely essential to  
9 the system that we have now, and also, their  
10 association members in this National Association For  
11 State Community Service Programs that work with the  
12 Department of Energy on weatherization assistance and  
13 other related features.

14 Mr. Johnson, we are happy to have you here  
15 today.

16 STATEMENT OF ARLEY JOHNSON

17 MR. JOHNSON: Thank you, Congressman.

18 We are the National Association For State  
19 Community Service Programs. The Community Service  
20 Block Grant, CSBG, which funds community action, is the  
21 Federal Government's only comprehensive approach to  
22 ensuring struggling Americans have an opportunity to

1 achieve economic security.

2 Through CSBG, states mobilize a network of  
3 over 1,000 local organizations, which operate in 99  
4 percent of our nation's counties to build healthy,  
5 sustainable and strong communities. Comprised of state  
6 and local organizations, Community Action provides  
7 services based on the characteristics of poverty within  
8 a community. For one community, this might mean  
9 providing job placement and retention services; for  
10 another, developing affordable housing.

11 In rural areas it might mean providing access  
12 to health service or developing a route of  
13 transportation system. 83 percent of CSBG funds  
14 provide direct services to individuals and communities.

15 What do these cuts mean, and why are they so harmful?

16 CSBG is the cornerstone of the nation's efforts to  
17 ensure struggling Americans have an opportunity to  
18 enter the middle class. It is the seed capital for  
19 community investment by the public and private sectors,  
20 especially in rural areas.

21 If CSBG is cut, critical support, such as  
22 employment, education and housing for 20.7 million

1 vulnerable Americans, would be eliminated. There would  
2 be an \$11.9 Billion non-federal funds disruption to the  
3 national non-profit infrastructure. This significant  
4 reduction could result in up to 78,000 community jobs  
5 being eliminated. State and local jobs would be  
6 eliminated. CSBG funds are used to pay for salaries  
7 over 600 state employees, and community action  
8 employees approximately 109,000 people in local  
9 communities.

10           There would be a significant decrease in the  
11 capacity for other state and federal programs. In many  
12 states, community action manages the Low Income Home  
13 Energy Assistance Program, LIHEAP, raising additional  
14 funds from utilities for this vital program. Community  
15 action administers the Weatherization Assistance  
16 Program for low income, and is able to mobilize funds  
17 for additional work on residences, not directly related  
18 to energy savings that, for example, may keep an  
19 elderly couple in their home.

20           Community action agencies also run a  
21 significant number of the head start programs across  
22 the country. It also administers the Women, Infants



1 and Children, WIC, nutrition program in the community  
2 development block grant to stretch federal dollars and  
3 to provide a greater return on investment.

4           During fiscal year 2009, the Department of  
5 Justice-funded local agencies received about \$19.5  
6 Million in DOJ funding in addition to \$4 Million from  
7 DOJ through the ARA funds. 681,000 jobs for vulnerable  
8 Americans were obtained by working through community  
9 action to stable employment over the last five years  
10 with the help of these agencies. Employment supports  
11 in fiscal year '09, community action provided more than  
12 3.5 million employment supports to low income working  
13 families.

14           The proposed cut in H.R. 1 for community  
15 action agencies and community action committees,  
16 through the Community Services block grant, is a 44  
17 percent cut, which means, effectively, that at the end  
18 of March those programs would be eliminated, because  
19 we're already almost halfway through the year. We  
20 applied ourselves being very perplexed and confused  
21 about one thing. How is it that those who have the  
22 last and need the most are the first to be asked to

1 sacrifice?

2 Thank you, Mr. Chairman.

3 MR. CONYERS: Thank you very much.

4 I thank all of you who have come forward, but  
5 now we close by inviting any individual comments or  
6 closing observations or questions that you'd like to  
7 direct to any of the presenters. And we include our  
8 friends that are here, not on the panel, to join in  
9 with us.

10 Who would like to have a last comment before  
11 we close down? Don Murray of the Counties.

12 MR. MURRAY: Mr. Chairman, I wanted to share  
13 with you what we're trying to do in the way of indigent  
14 defense. We have 2400 rural counties in the United  
15 States that are very limited in their financial  
16 abilities.

17 So what we recently passed policy unanimously  
18 and called on rural counties to consider hiring a full-  
19 time public defender to ride a multi-county circuit.  
20 So instead of the judge, you know, sometimes picking  
21 his friends in the back of the room who may or may not  
22 have criminal law experience, we want to see a

1 professional public defender who's part of the planning  
2 process, who's fully engaged in the criminal side of  
3 the law to be a major resources for the criminal  
4 justice system at the local level. So I wanted to  
5 share that with you.

6 MR. CONYERS: How do attorneys Saunders and  
7 Brodnax react to your idea?

8 MR. SAUNDERS: Congressman, if I could, I  
9 would defer our vice president for defender legal  
10 services with this Ed Burnette in the back of the room,  
11 and I think he would probably provide a more  
12 knowledgeable response.

13 MR. CONYERS: Ask him to sit right here.  
14 Turn on this mike.

15 MR. BURNETTE: I can't really say. This is  
16 my initial reaction to this, because Don and I have  
17 discussed this before. First, let me say that  
18 representation of individuals, whether indigent defense  
19 or civil, presents a different challenge in rural  
20 communities than it does in urban communities.

21 I'm from Chicago, and I'm used to getting on  
22 a bus or going someplace to get where I need to get.

1 It's not the same in rural counties where there may be  
2 20, 30 miles between one neighbor and the next.  
3 Certainly, individuals who are well-trained to cover a  
4 certain area is something that we are investigating,  
5 and I think it's something that has merit because you  
6 can't form an office to serve the one geographical  
7 location, because there is too much geography to cover.

8 So we are looking for unique responses to those  
9 individuals who are in rural communities, and  
10 individuals who ride circuit is one of the more viable  
11 things that we think that we are pursuing at this  
12 point.

13 MR. MURRAY: Mr. Chairman, if I may add, I  
14 mean if the United States can send a man to the moon,  
15 we should be able to figure out, and one of the  
16 criticisms of this idea is the technical side of it, of  
17 scheduling, of getting the prosecutor, the public  
18 defender and the judge to the same county courthouse at  
19 the same time. But if we can send a man to the moon,  
20 we should be able to figure out how to get these three  
21 people, these three essential people to the county  
22 courthouse.

1           MR. CONYERS: I think we're up for that. I  
2 think we can do it. I mean in Dallas they were selling  
3 space for spaceship rides already, and have 400 people  
4 put deposits on that. So I think it could be done.

5           MR. MURRAY: And if I could add one other  
6 comment, I think we're witnessing a revolution in the  
7 justice system at the present time. In over 20 states  
8 are now cutting their prison populations, although they  
9 don't always mention cutting the jail population.

10           We think we can do both. We can cut jail  
11 populations and prison populations by building on the  
12 community corrections systems that are so poorly funded  
13 in this country, and enhancing reentry, preentry,  
14 reinvestment and all the other components that are  
15 needed. But it's revolutionary, what's happening, and  
16 it presents a crisis on one hand, but an opportunity on  
17 the other.

18           MR. CONYERS: Attorney Brodnax?

19           MR. BRODNAX: Well, yes, just to amplify what  
20 has been said, the federal defender organizations  
21 throughout the United States provide a valuable  
22 resource for indigent defendants. They also provide a

1 valuable resource for those of us who are private  
2 attorneys to take court-appointed cases.

3           They provide -- this is the administrative  
4 office of U.S. Courts -- provide programs to help  
5 lawyers understand the issues, the sentencing  
6 guidelines, all the various criminal laws and cases  
7 that come out. You know, I guess in one sense, one is  
8 lucky to be charged in federal court because of the  
9 quality of the lawyers who make up the federal defender  
10 organizations and throughout the country, the panel  
11 attorneys. And this continuing resolution would  
12 certainly cut back on some of those programs that the  
13 administrative office offers to lawyers. Now, I  
14 represent neither the federal judiciary or the  
15 administrative office, but from my own experience, I  
16 know that those programs are very valuable.

17           MR. CONYERS: Who wants the second last  
18 question or comment? Who in the audience would like to  
19 ask a question or make a comment?

20           [No response.]

21           MR. CONYERS: If not, then these hearings are  
22 closed and I thank very much all my staff that helped

1 me and all of you that participated today. Thank you  
2 very much.

3 [The forum was concluded at 12:40 p.m.]

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