

face today is whether this Congress is going to avoid a tax increase on working families. During these difficult economic times I believe that we should not allow a tax increase on working families, and therefore, I will support this bill.

I am pleased that this conference report includes important reforms in unemployment benefits. As I travel around Indiana, small business owners in one community after another have told me about the need to reduce dependency on unemployment insurance. I believe we can provide a safety net for those who have fallen on hard times while at the same time protecting the incentive to work.

This legislation takes an important first step toward reforming unemployment insurance by reducing the maximum number of weeks of eligibility for benefits based on a state's unemployment level and creating national job search requirements for everyone collecting state and federal unemployment insurance benefits. I am also pleased that this conference report contains language that will not interfere with Indiana's efforts to return the state's unemployment trust fund to solvency.

The deal before us today is nothing to write home about, but it does avoid a tax increase on working families during these difficult economic times and starts us down the road toward unemployment insurance reform—and I urge my colleagues to support it.

Mrs. MALONEY. Mr. Speaker, I commend my colleagues for reaching an agreement on a longer term extension of the payroll tax cut. While this bill is not perfect, it does provide the average American middle-class family with an additional \$1,000 over the year through the payroll tax cut extension, it continues Unemployment Insurance through the end of the year, and prevents cuts in Medicare physician payment rates. More than 160 million Americans will benefit from the payroll tax extension and millions of seniors using Medicare will be able to continue to see the doctor of their choice.

Despite the assistance this legislation will provide to millions across the country, I have reservations about a number of problematic provisions. The Republican Majority continues to put the burden of the recession on Federal public servants. By requiring an increase in retirement payments by new employees, this legislation further undermines the Federal Government's ability to attract and retain the best talent. The vital services provided by the more than 2 million civilian employees cannot be compromised. It is time this Congress recognized the service that Federal employees provide to our senior citizens and the disabled, to our military service members and veterans, and to our overall safety and health. In addition, the reduction in weeks of unemployment insurance benefits starting in May will put a hard burden on some of America's hardest hit families. Lastly, the cuts to reimbursements for hospitals who serve large numbers of un-and-under-insured patients will put the load of the cost directly on the hospitals providing care.

Despite these concerns, I support this bill today because the extensions help this country continue on a path of job creation and economic growth. We are well in to the second session of the 112th Congress and still my colleagues on the other side have failed to bring meaningful jobs legislation before the House for a vote. It is time the Republican Majority responded to calls from the American

people to strengthen our workforce for middle class families.

Mr. COURTNEY. Mr. Speaker, I voted in favor of the conference agreement on the Middle Class Tax Relief and Job Creation Act of 2012 because I believe it is necessary for our nation's continued economic recovery, which still remains fragile. Economists of every stripe have endorsed the three major components of the bill which will provide some additional confidence for both consumers and business. However, I have serious concerns about parts of the compromise, chiefly the lack of a permanent repeal of the sustainable growth rate (SGR) formula and the funding sources for the ten-month SGR "patch."

Medicare cuts to community hospitals and skilled nursing facilities included in the compromise threaten the already thin financial margins these institutions are operating on. Also included in the compromise is the elimination of \$5 billion from the Prevention and Public Health Fund created by the Affordable Care Act. These cuts will stifle progress on disease prevention which in the long-term is the best way to reduce health care spending. And, the fact that these programs will be cut to pay for a short term fix of a broken SGR formula that was passed into law nearly two decades ago and has proven to be totally infeasible, is particularly galling.

While the window of opportunity to repeal the SGR permanently in this package has passed for now, Congress still has an obligation to enact a permanent fix to this flawed policy when the ten-month fix expires. We know now that the longer a permanent fix is delayed, the more precarious our system of care for seniors and veterans will become. On a positive note, growing bipartisan, bicameral support for abolishing the SGR is building, paid for with savings from the Overseas Contingency Operations (OCO) funds. The Congressional Budget Office has confirmed these funds are available which provides a promising opportunity in the coming months to repeal the SGR finally once and for all.

Fixing this long standing problem must be a bipartisan priority for this Congress. I look forward to working with my colleagues on both sides of the aisle towards a permanent solution to the SGR that gives our doctors, seniors and veterans the long term certainty they need—and deserve—in their care.

Mr. PRICE of North Carolina. Mr. Speaker, I am proud to stand with the President and working Americans today by supporting this measure, which will add an average of \$1,000 to the paychecks of working North Carolinians this year, extend unemployment benefits for Americans who have lost jobs through no fault of their own, and ensure seniors on Medicare will be able to see their doctors. After a year in which Republicans in Congress took the country from one manufactured crisis to the next, this bipartisan agreement is a step in the right direction and at a time when so many families are still struggling to make ends meet, it may be our last chance to help revive the economy as we head into an election year.

Once again, however, House Republicans are asking us to rob Peter to pay Paul, and the positive economic impact of this measure will be undermined in part by their senseless and misguided insistence that federal employees, hospitals, clinical laboratories, and preventive health programs must bear the cost. Unemployment benefits are paid out during

true economic emergencies and should not require offsets. And to the extent we should offset the cost of the other programs extended in this measure, we should do so by asking corporations and the wealthiest Americans to pay their fair share—not by asking middle-class Americans and providers of health care who have already sacrificed in the name of deficit reduction to do even more.

I'm particularly troubled by the demonization of federal workers by Republicans in Congress, which has reached a crescendo of late. To be effective and respond to the needs of the American people, government needs to attract the best and brightest to public service. Federal employees have already been subjected to a pay freeze, and now we are asking them to open their wallets again to pay for unemployment benefits for workers who have lost their jobs.

I cannot in good conscience oppose a measure that puts money in the pockets of American workers, protects our fragile economic recovery, and maintains the safety net for unemployed workers and health care for seniors. But we simply must do better if we are to maintain the promise of expanding opportunity for working and middle class Americans.

Mr. TOWNS. Mr. Speaker, I rise today to express my concerns with a health provision in the Payroll Tax Compromise. Even though we have successfully protected Medicare beneficiaries from significantly increased premiums on Medicare patients with incomes below \$40,000, and prevented attempts to undermine the Affordable Care Act's mission of expanding coverage to millions of Americans, the Payroll Tax compromise still contains provisions that will hurt middle-class and economically disadvantaged Americans. Specifically, I am concerned about the inclusion of cuts to Medicare laboratory services. Under this legislation, clinical lab payment rates will be cut by an additional 2 percent in 2013, on top of the cuts that were included in the health reform law. These new cuts also rebase the lab fee schedule, resulting in lower rates for clinical lab services for years to come.

In some independent clinical laboratories, especially those serving rural communities or nursing home populations, 80 percent or more of their patient-base consists of Medicare beneficiaries. The cuts being faced threaten their practice's existence and no additional cuts—big or small—can be absorbed without adversely impacting patient care. Medicare payment amounts for clinical laboratory services have already been reduced, in real terms, by about 40 percent over the past 20 years. While clinical laboratory testing is less than 2 percent of all Medicare spending, it has been subject to significant freezes in payments and cuts over the last decade.

Clinical laboratories are an important part of the health care system. Their tests inform up to 70 percent of a doctor's medical decision-making. As the first point of intervention, laboratory tests serve as the foundation for the diagnosis and clinical management of conditions like heart disease, cancer, diabetes, kidney disease, and infectious diseases. These clinical laboratories do more than just draw a person's blood. They are a major part of the medical process.

Independent clinical laboratories also are essential for those who must depend on the laboratory's mobility for testing. Medicare

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beneficiaries in nursing homes rely upon the services provided by independent clinical laboratories that can deploy medical professionals to their place of residence. If these laboratories continue to have their Medicare payments cut, not only will jobs be lost, but patients will suffer.

I urge my colleagues on both sides of the aisle to repeal these cuts.

Mr. HASTINGS of Florida. Mr. Speaker, today I voted against the Conference Report to accompany H.R. 3630, but within this legislation, there are provisions that I do support. I support giving a payroll tax cut to 160 million Americans, extending unemployment insurance to those Americans who have lost their jobs through no fault of their own, and to allow seniors access to their doctors under Medicare. But there is a damaging aspect of this bill that will affect the pensions of future federal employees.

This bill raises an additional \$15 billion to extend unemployment insurance coverage by requiring federal employees to contribute a larger amount to their retirement accounts. Federal employees are currently in their second year of a pay freeze while my colleagues across the aisle only a few short weeks ago voted to freeze federal employees' pay for a third year. Republicans don't think twice about limiting federal workers' ability to support their families, but are more than willing to shut down the government when bankers are asked to pay their fair share of taxes on their bonuses.

How much can we continue to pick on federal workers? They are not fat-cats. They are postal workers, janitors, teachers, nurses, social workers, and police officers. When did they become the bad guys? How much can we continue to pile on them before their backs break? How much weight should the wealthiest Americans, who can afford it, carry?

I am also concerned that this compromise to extend unemployment insurance reduces benefits from 99 weeks to as little as 73 weeks through December. I hear daily from constituents who are approaching the end of their 99 weeks and are at a loss as to where to turn next. Although the economy may be starting to recover, what are we supposed to tell those people who have been looking for a job for months and months on end? What kind of compromise are they supposed to strike with unemployment?

Furthermore, this legislation will blow a \$100 billion hole in the deficit by not paying for the measure. It is a precursor from the Republicans for the beginning of the end of Social Security.

Millions of Americans all across this nation are struggling and they need our help. The Republican majority would rather implement policies that unfairly favor the wealthy, while asking the least among us to make enormous sacrifices. I am sick and tired of Republican gamesmanship. I voted against this measure, because 'enough is enough.'

Mr. SMITH of Nebraska. Mr. Speaker, I rise today, with reservations, to support H.R. 3630, the Temporary Payroll Tax Cut Continuation of 2011.

Benefits paid out by Social Security now exceed payroll taxes collected, and with no change the trust funds will run out by 2035. While this conference report would continue our policy of replacing uncollected payroll taxes with funds from general revenue, the

\$93 billion cost for ten months of this policy makes clear we cannot afford to continue it for the long term. Our focus on Social Security should be reforming it to ensure its viability for those who have paid in, not infusing it with hundreds of billions of additional dollars we don't have.

However, H.R. 3630 allows Americans to continue to keep more of their paychecks for the rest of the year in this delicate economy. This bill also contains important reforms to Medicare and unemployment insurance and ensures this new, current spending is paid for. We cannot indefinitely pay out 99 weeks of unemployment benefits, and this bill begins phasing out these extended benefits. While I would prefer we permanently reform Medicare, this conference report ensures seniors have access to care through the end of the year by addressing physician reimbursement rates and other payment issues while laying the groundwork for permanent payment reform. We also reform federal employee benefits and will expand access to wireless broadband through this bill. These are important accomplishments worthy of support.

Because of these achievements, I ask my colleagues to support H.R. 3630. I also ask we continue our work to permanently reform both the tax code and our entitlement programs to provide Americans the long-term certainty they need, rather than continuing our reliance on piecemeal legislation.

Ms. JACKSON LEE of Texas. Mr. Speaker, I rise today in support of the Conference Report on H.R. 3630 "Middle Class Tax Relief and Job Creation Act of 2011." The Conference Report extends the 2 percent payroll tax cut, the Medicare SGR "doc fix" and various Medicare and Medicaid extenders through the end of the year.

There are currently 160 million workers who will benefit from a payroll tax holiday and millions of unemployed workers in desperate need of an extension of unemployment insurance. In addition it would prevent 170,000 Americans from losing their health coverage. It is in consideration of the millions of Americans that will benefit from this legislation that I cast my vote today.

Although certain improvements have been made to this bill that have made it more palatable in the name of compromise, in comparison to the version offered by House Republicans, I still believe we could have done more.

Instead of a temporary fix to the Medicare sustainable growth rate formula (SGR), commonly known as the Doc Fix, we could have had a permanent solution which would have addressed the concerns of doctors across this country and the patients who utilize their services. We cannot continue to rely upon short-term patches that arise every few months. It is time to bring certainty to our system of payment. We must act now—the cost to repeal SGR today would be \$300 billion. If we wait five years that cost will double to \$600 billion. Without addressing the SGR head on and instead continuing to kick the can down the road, it is only making a flawed system more costly to resolve.

Under this Republican led House measures continue to be offered that are being paid for on the backs of federal workers. These workers are responsible for aiding in crafting the legislation that we put forward in this body. They are responsible for implementing and creating regulations that ensure that our sys-

tem of governance runs smoothly, that our airways, roadways, ports, and food are safe.

These dedicated civilian employees are paid less than they would be in the private sector. Their reward for these dedicated federal servants is for the Republican led House to use their pay and their benefits as a piggy bank, instead of issuing a surcharge on the wealthiest among us, a simple 1 percent increase in taxes on those who earn over one million a year. Instead, we are targeting the federal worker.

Under Republican pressure the fate of 315 million Americans will be borne by the 2 million federal civilian workers who serve them. To be clear, federal employees will be the only people paying for this bill.

Again, under a Republican led House, Republicans have continued to use federal civilian employees as a piggy bank. Which in many ways is an attack on the fabric of the middle class.

In this Congress alone the federal workforce has already contributed \$80 billion to deficit reduction. This was done by freezing their pay, preventing two cost of living increases, and other measures. Which is really code for what a federal employee is making today is less than what she was making two years ago (when you adjust for inflation).

Federal workers are highly skilled, highly trained, and highly educated. We must remember that none of the laws that we pass here today will make a difference without having people around who will implement them.

My Republican colleagues appear to believe that they can continue to target federal workers without repercussions. When we are no longer able to recruit and retain the best and the brightest, then we can look to the measure pushed by my Republican colleagues. Although I support many of the provisions in this bill; I must make clear I am concerned with how this bill is constructed.

FEDERAL EMPLOYEE RETIREMENT

I will repeat again that this conference report would require new hires into the federal government to have a significantly higher portion of their wages diverted to pay for their retirement.

Even though it is very uncommon in the private sector for employees to contribute any portion of their pay toward retirement, this conference report would require newly hired federal workers to contribute 3.1 percent of their wages to pay for their pensions, a 2.3 percent increase over current levels that will cost even the lowest paid federal workers hundreds of dollars per year in take home pay. This amounts to a targeted tax on middle class federal workers like VA nurses, border patrol agents, food inspectors, and wild land firefighters. Targeting these middle class workers again as a "pay-for" when the wealthiest Americans have not been asked to contribute anything is unconscionable. Federal workers have already been asked to make significant sacrifices.

As I said before, I will say again being dedicated to this country they accepted a two-year pay freeze (for 2011 and 2012) which has been a great burden to federal employees and their families who are struggling just like everyone else in this tough economy. This sacrifice alone saved American taxpayers \$60 billion.

Treating newly hired federal workers differently than current federal employees is a