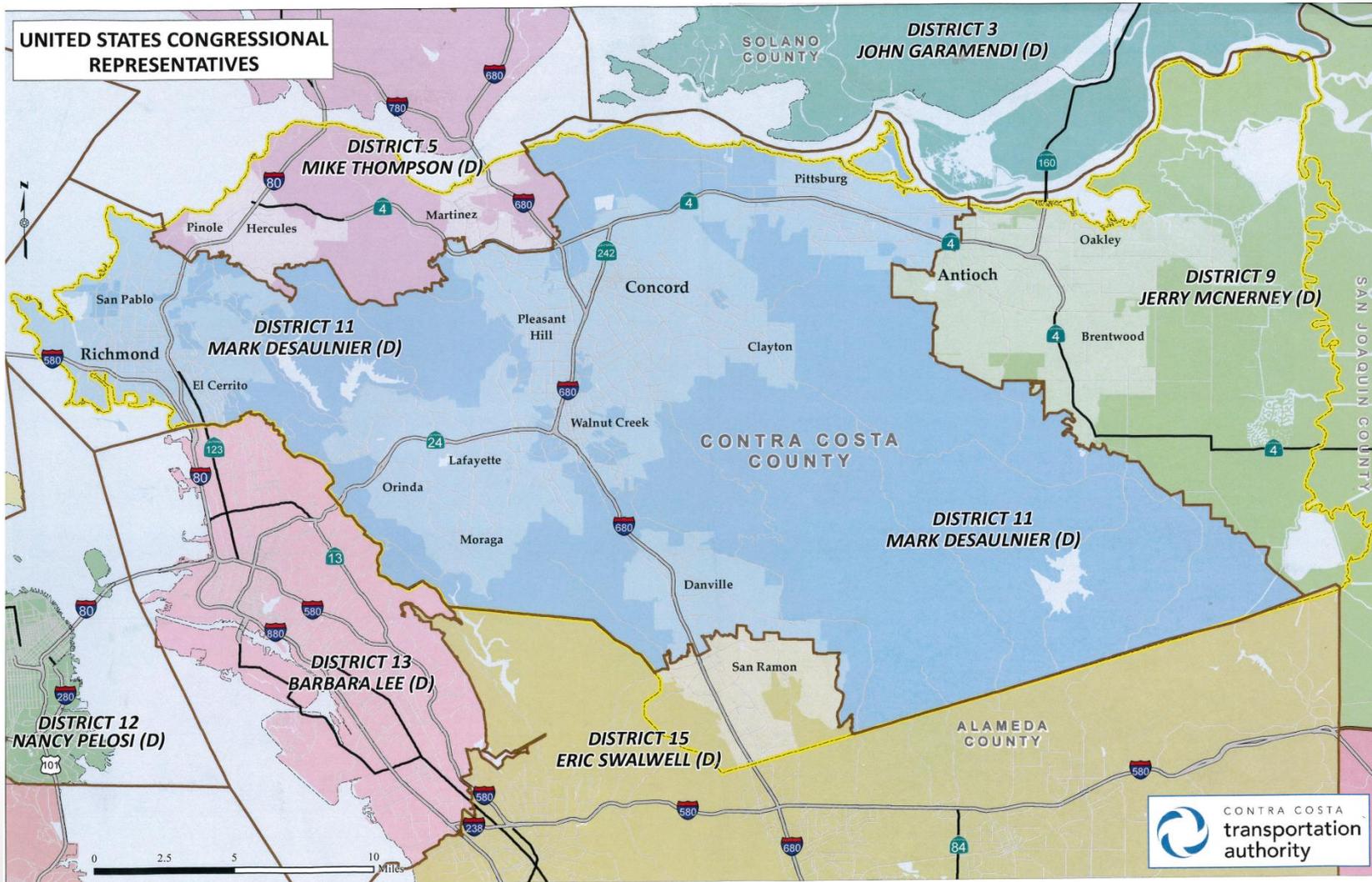


# Congressional Update



**Congressman Mark DeSaulnier**  
*Serving the 11<sup>th</sup> District of California*

# Map of the Congressional District (CA-11)



# How Our Office Can Help You

## **Help with Federal Agencies:**

- Passport Services
- Veterans Affairs (VA)
- Visas and other Immigration Services
- IRS/Tax Payers' Assistance
- Social Security and Disability Claims (SSI/SSDI)

# How Our Office Can Help You

- **Flag Requests**
- **Military Academy Nominations**
- **Washington, DC Tour Requests**
- **Congressional Art Competition**
- **Internships**
- **Congressional Recognition Opportunities**

# Join Us In the Community

- **Town Hall Meetings**
- **Mobile District Office Hours**
- **Listening Tours**
- **Telephone Town Hall Meetings**

# How Our Office Has Helped

Since taking office January 3, 2015, our office has:

- Assisted more than **400** constituents in navigating problems with a federal agency;
- Responded to over **91,000** constituent inquiries;
- Worked with nearly **400** constituents to secure tours of the Washington, DC area and flags flown over the U.S. Capitol; and
- Met with over **300** constituents a 2 Town Halls and 3 Mobile District Office Hours this year.

# Contact Our Office

## ***Walnut Creek***

101 Ygnacio Valley Road  
Suite 210  
Walnut Creek, CA 94596  
Phone: (925) 933-2660  
Fax: (925) 933-2677

## ***Richmond***

440 Civic Center Plaza  
Second Floor  
Richmond, CA 94804  
Phone: (510) 620-1000  
Fax: (510) 620-1005

## ***Washington, DC***

327 Cannon HOB  
Washington, DC  
Phone: (202) 225-2095  
Fax: (202) 225-5609

***Congressional Website:*** [www.desaulnier.house.gov](http://www.desaulnier.house.gov)



[www.facebook.com/RepMarkDeSaulnier](http://www.facebook.com/RepMarkDeSaulnier)



[@RepDeSaulnier](https://twitter.com/RepDeSaulnier)

# Congressman DeSaulnier's Background

## **Public Service:**

- Concord Planning Commission, 1988-1991
- Concord City Council, 1991 – 1994
- Contra Costa County Board of Supervisors, 1994 –2006
- CA State Assembly, 2006 – 2008
- CA State Senate, 2008 – 2014
- U.S. House of Representatives, 2015 – Present

## **Leadership Positions:**

- Board positions with the Metropolitan Transportation Commission (MTC), Association of Bay Area Governments (ABAG), Bay Area Air Quality Management District (BAAQMD), and the California Air Resources Board (CARB)
- Chair, Senate Transportation Committee
- Chair, Senate Labor and Industrial Relationships Committee
- Chair, Assembly Transportation Committee (First Freshman)
- Chair and Founder, EPIC Caucus

# Committee Assignments

- **House Committee on Education and the Workforce**
  - Subcommittee on Higher Education and Workforce Training
  - Subcommittee on Workforce Protections
- **House Committee on Oversight and Government Reform**
  - Subcommittee on Healthcare, Benefits, and Administrative Rules
  - Subcommittee on Transportation and Public Assets

# Caucus Membership

- **Innovation and the Human Condition Caucus**  
(Founder and Chair)
- **Gun Violence Prevention Task Force**
- **Out of Poverty Caucus**
- **Humanities Caucus**
- **Animal Protection Caucus**
- **Safe Climate Caucus**

# Our District Compared

## Age of Population

Years of Age	District	California	National
Under 18	25%	27.5%	26.6%
19 – 34	19%	22%	20.5%
35 – 64	41%	38.7%	39.5%
Over 65	15%	11.8%	13.4%

## Ethnicity of Population

Ethnicity	District	California	National
White	57%	39.7%	63.3%
African American	8%	5.7%	12.2%
Hispanic	24%	37.9%	16.6%
Asian	11%	13.1%	4.8%

## Median Household Income

District	\$73,860
California	\$61,094
National	\$53,046

## Median Cost of Rent

District	\$1,332
California	\$1,224
National	\$904

## Percent of Residents Below the Poverty Line

District	12%
California	15.9%
National	15.4%

# Our District Compared

Level of Education			
Level	District	California	National
HS or less	30%	39.4%	42%
Some College	30%	29.9%	29%
College	26%	19.4%	18%
Graduate	14%	11.2%	10.8%

Unemployment (January 2015)	
District	5.6%
California	7.3%
National	5.7%

# Our District Compared

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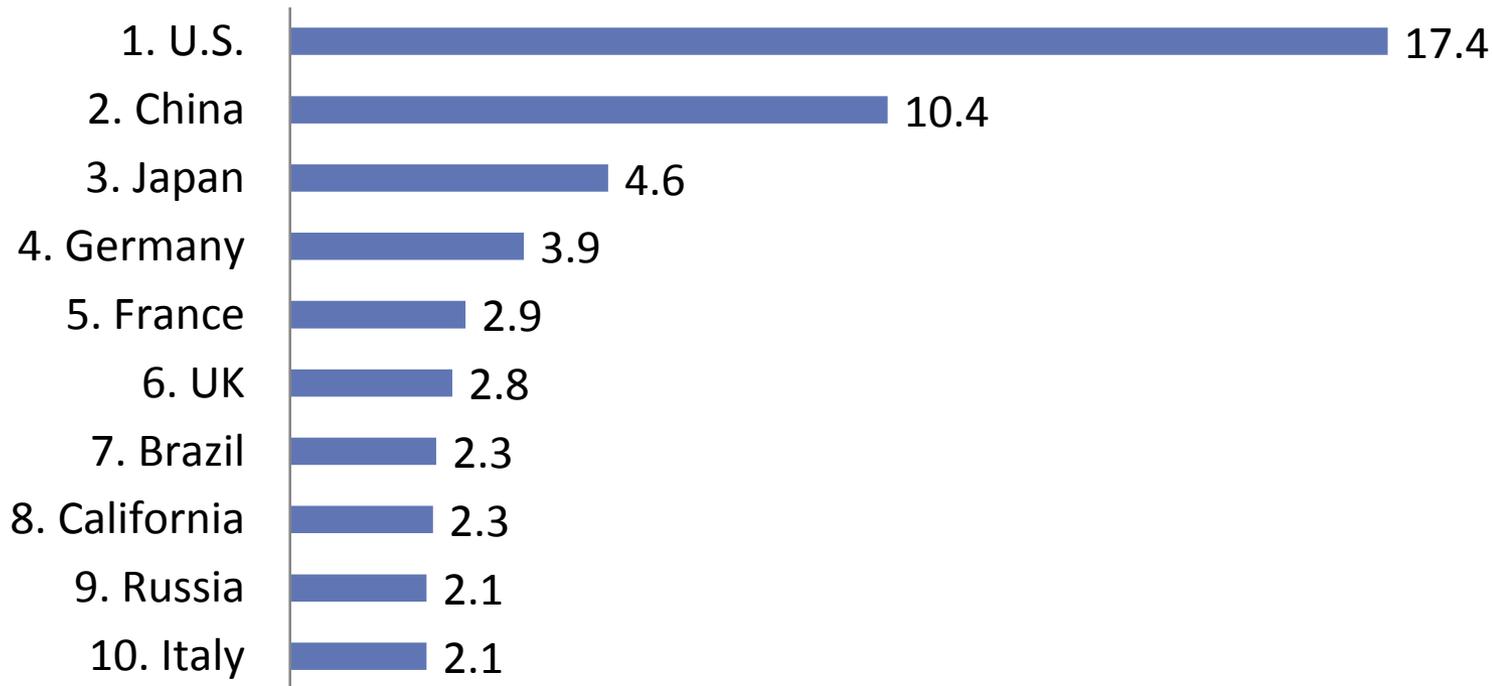
# What's Right in the Bay Area

- The top global innovation center, with the highest concentration of innovation-related jobs in the U.S.
- The highest density of venture capital firms in the world, with more than one third of total U.S. venture capital funding invested in the region
- The highest level of patent generation in the nation, with more patents generated per employee than any other major metropolitan area
- The highest economic productivity in the nation—almost twice the U.S. average

# California is the 8<sup>th</sup> Largest Economy in World

## GDP in the Trillions for 2014

■ GDP



# What's Right in California

California leads other states by many economic measures:

- Agriculture produced \$21.4 billion in revenue in 2012, three times more than the \$6.8 billion in second-ranked Iowa
- California technology companies took in \$673 billion in revenue over a 12 month period between 2013 and 2014, representing 51.4% of sales for all of the U.S.

# What's Right in California

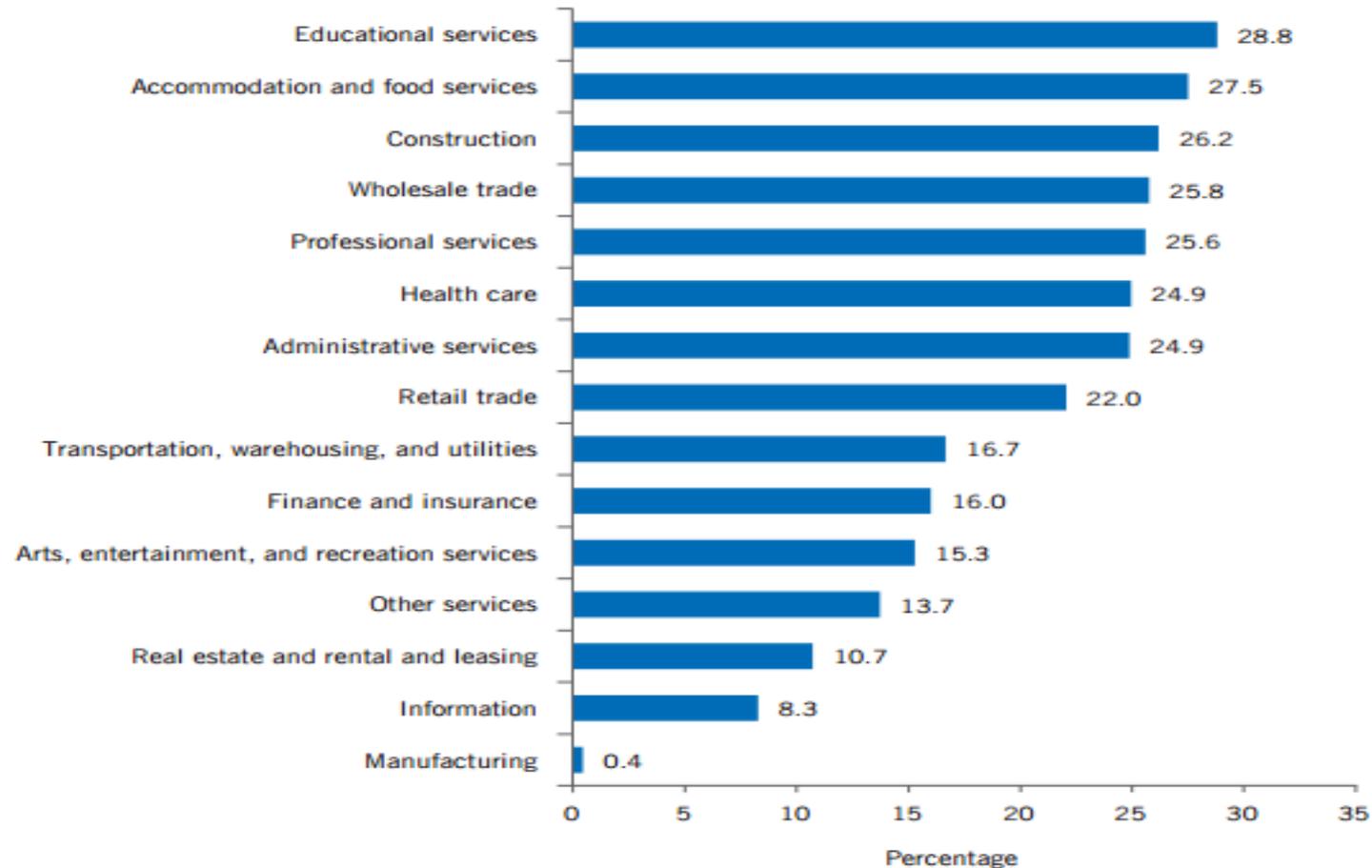
- California added a total of 471,200 jobs in 2014
- While California's share of the U.S. population is 12%, it is responsible for approximately 15% of all jobs added nationwide over the last 2 years
- California's 7.2% unemployment rate is 5 points below its post-recession peak (12.4%), but still 2.4 points above its pre-recession low of 4.8%. The UCLA Anderson Forecast predicts that California's unemployment rate will drop to 5.7% by the end of 2016

# California Economic Outlook

- For the past three years, job growth in California has been about 2.7%, compared to the national average of 1.8%.
- California workers, on average, earn 12 percent more than the national average—even after adjusting for differences in workers, occupations, and industries. But output per worker in California is 13 percent above the national average, and this higher productivity fully offsets the higher average wages.
- California consistently scores poorly in many business climate rankings that focus primarily on taxes and other costs of doing business. But the state's economic performance is stronger than these business climate rankings alone would indicate. Businesses locating in California face higher costs, but they also enjoy many benefits, such as the skill level of the workforce, the availability of capital, the support for new business, and the amenities that make California an attractive place to live.

# California Economic Outlook

## PROJECTED PRIVATE SECTOR INDUSTRY GROWTH, 2010–2020



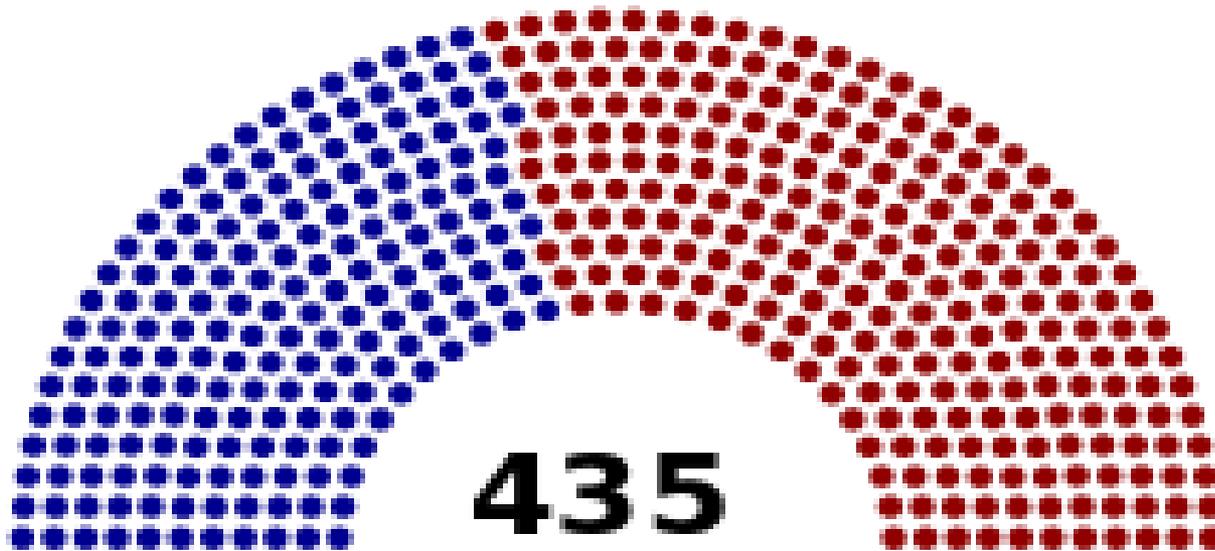
SOURCE: California Employment Development Department.  
NOTE: Employment growth projections for private sector only.

# National Economic Outlook

- The private sector has added 12.1 million jobs over 61 straight months of job growth, extending the longest streak on record.
- The deficit as a share of the economy has fallen by about two-thirds, and the FY2014 deficit was below its average over the past 40 years
- Employer health insurance premiums grew at a rate tied for the lowest on record, consistent with the lowest health care price inflation in nearly half a century
- The U.S. is leading the world in both oil and natural gas production, contributing to a roughly 40% drop in oil prices over the second half of 2014. At the same time, solar energy is up tenfold since 2008, while wind energy has increased threefold

# United States House of Representatives

- 188 - Democrats
- 247 – Republicans



# Congressional Agenda:

**In the 114<sup>th</sup> Congress, Republicans are in the majority and they control the agenda**

1. Repeal of the Affordable Care Act (ACA)
2. ESEA Reauthorization
3. H.R. 9, the Innovation Act
4. Western Water and American Food Security Act of 2015
5. Budget/Funding the Government

# Budget Process

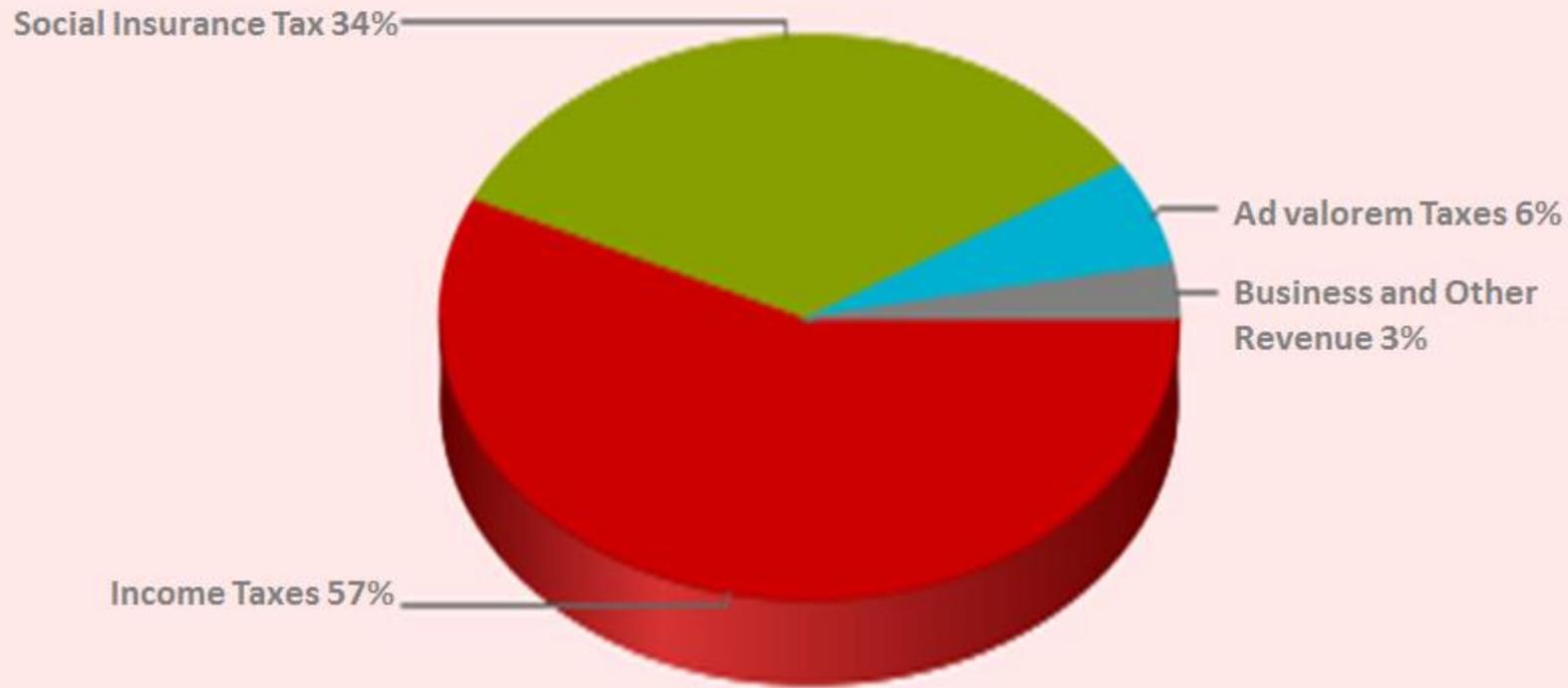
## **Administration:**

- The President customarily submits his non-binding budget request to Congress in January

## **Congress:**

- All spending bills must originate in the House
- The House and Senate pass broader budget outlines largely along party lines
- Members of Congress submit their funding priorities
- Funding bills called “appropriations” must be passed annually by September 30<sup>th</sup>

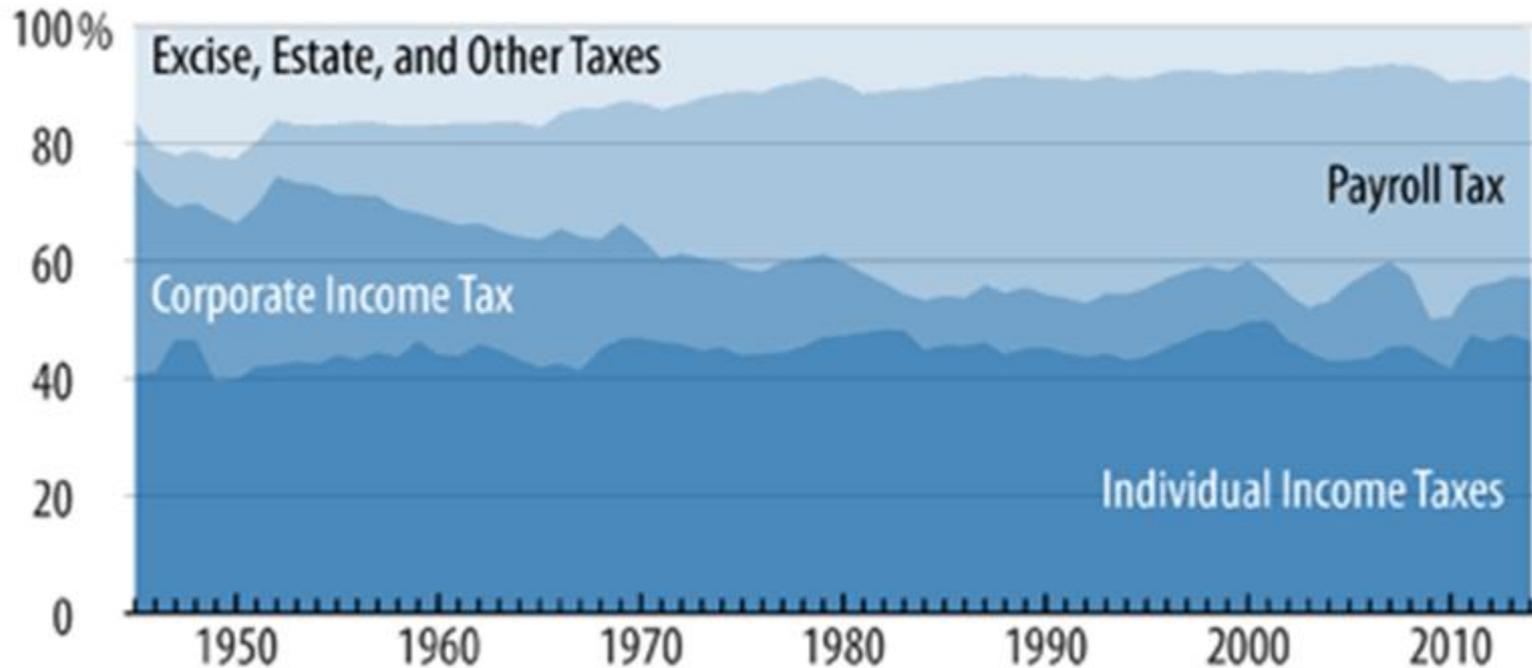
# Federal Revenue Sources



Note: Ad valorem Tax: a tax based on the assessed value of real estate or personal property

# Federal Revenue Sources

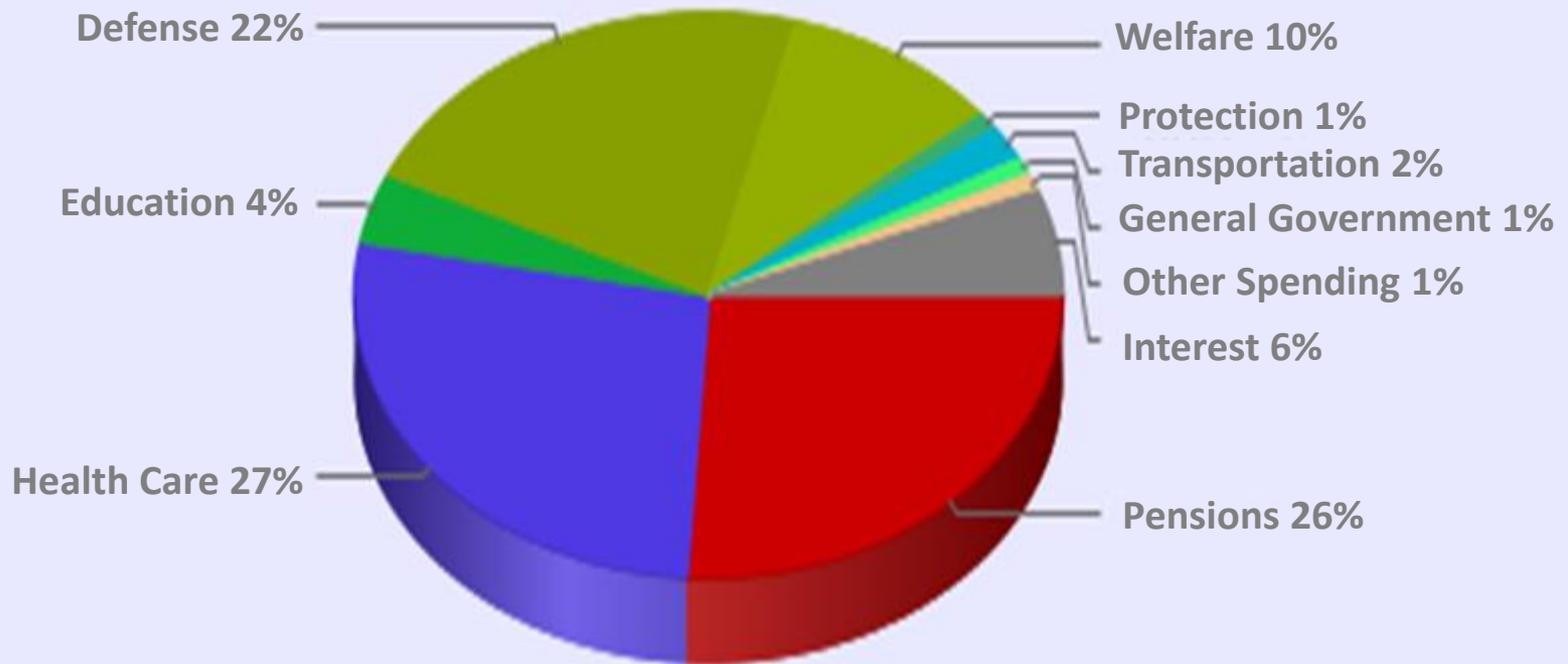
## Sources of Federal Tax Revenue, 1945-2014



Note: "Other Taxes" category includes profits on assets held by the Federal Reserve.

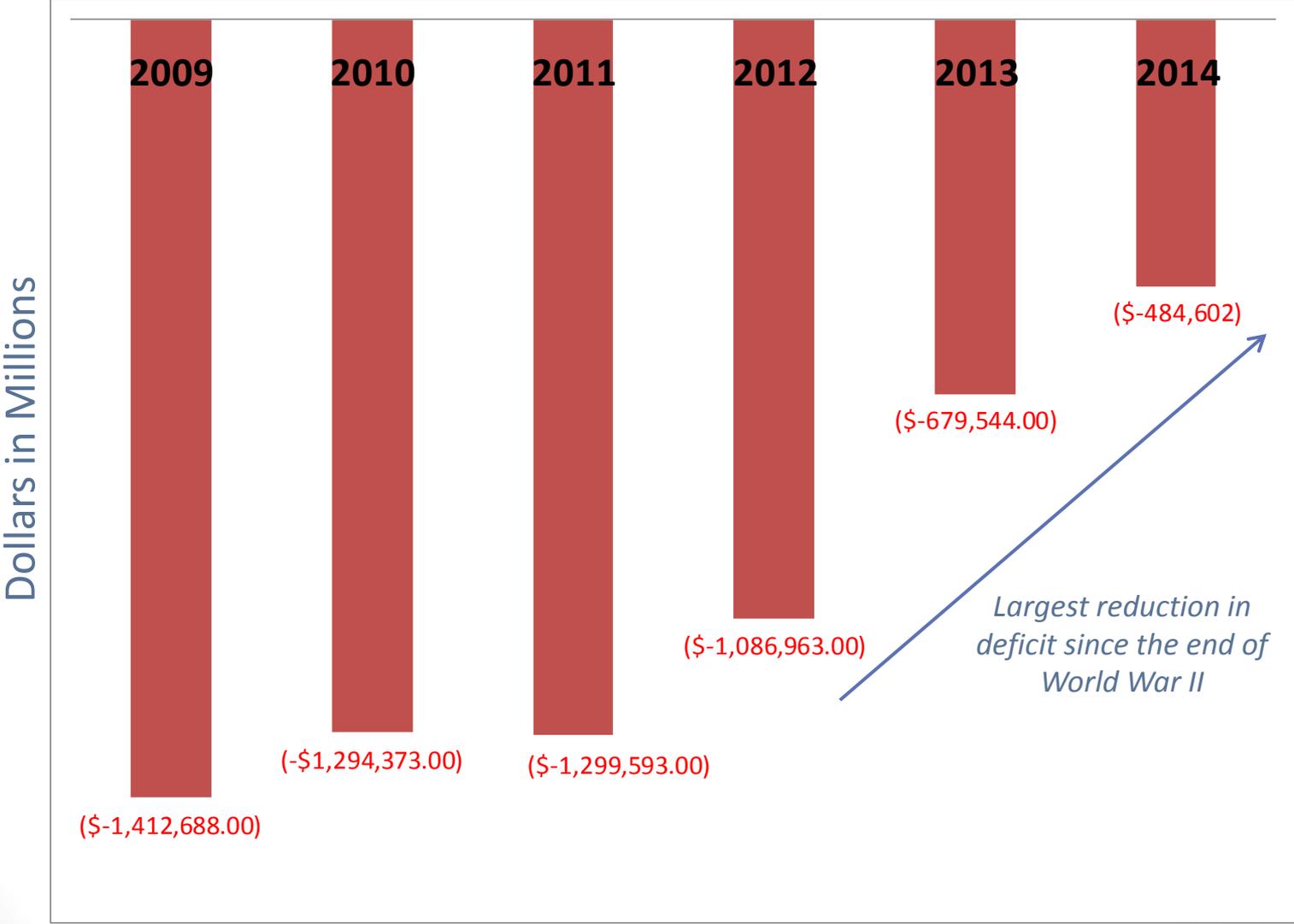
Source: Office of Management and Budget

# Federal Spending



Note: "Protection" includes police services, fire protection services, public order, safety, etc.

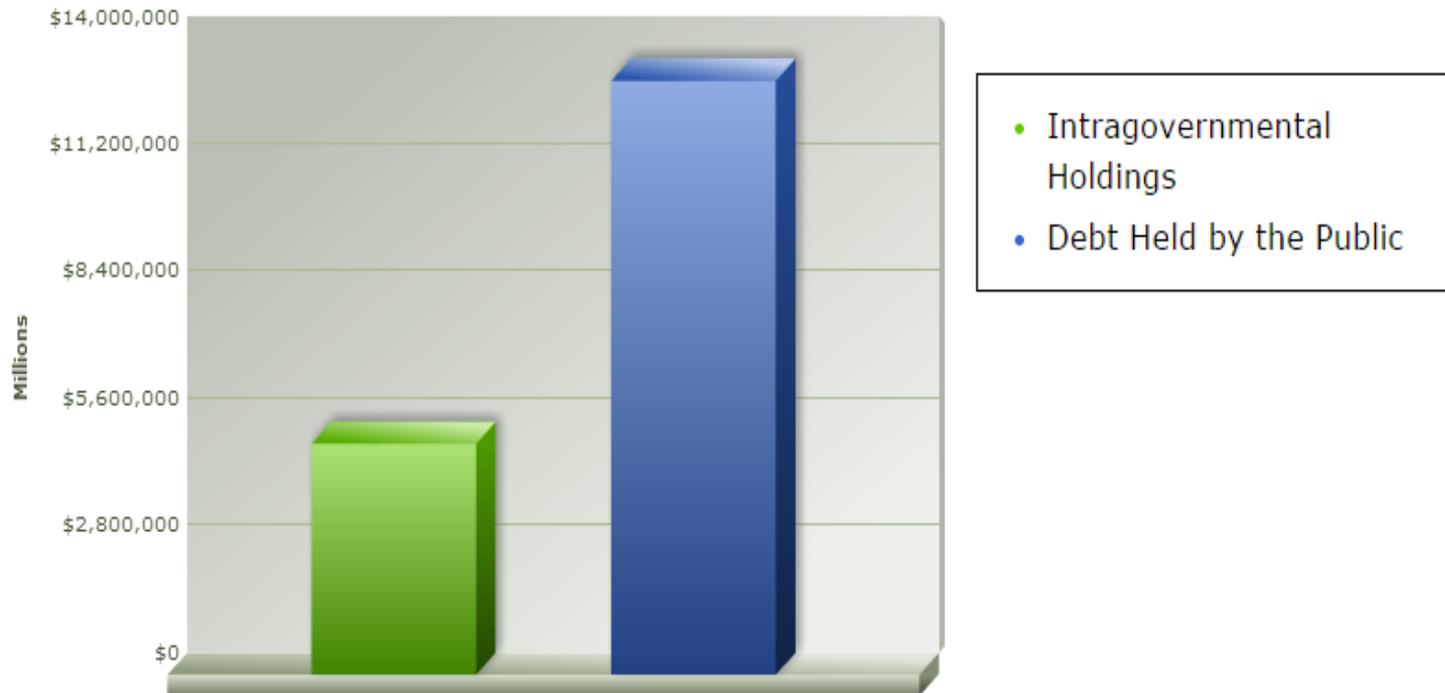
# U.S. Deficit Examined



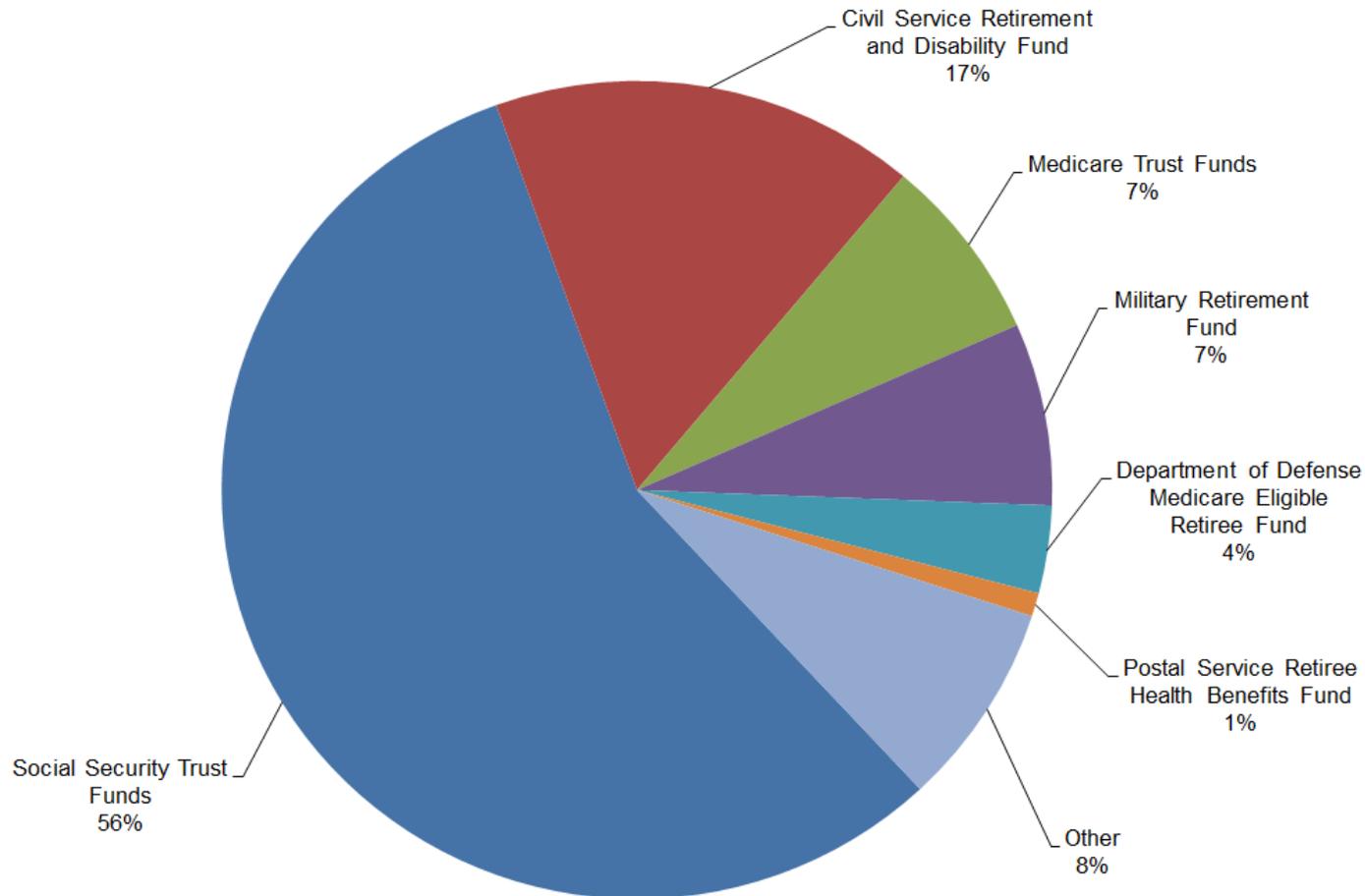
# National Debt

## Intragovernmental Holdings and Debt Held by the Public (Principal)

As of February 2015

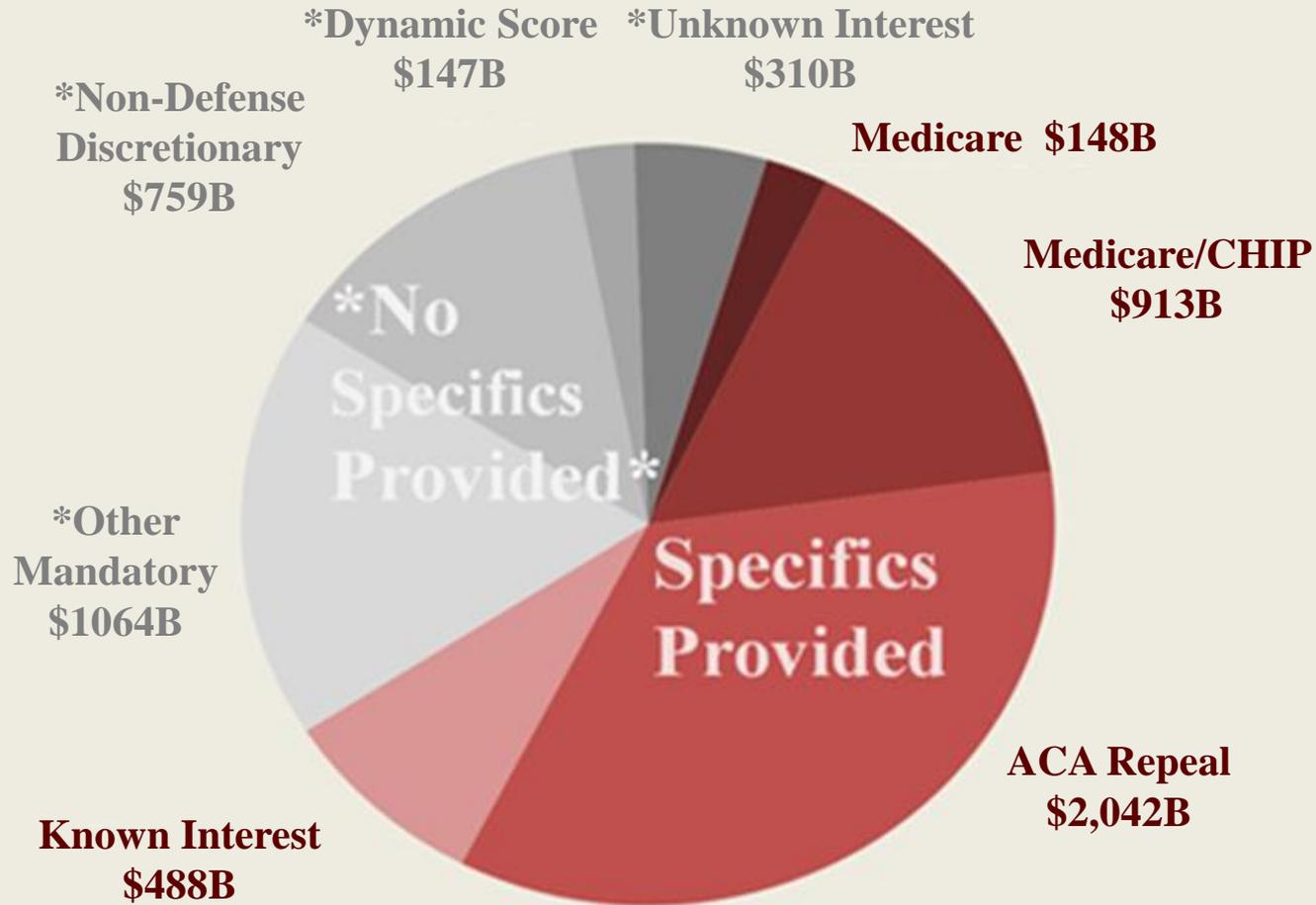


# National Debt: Government Held



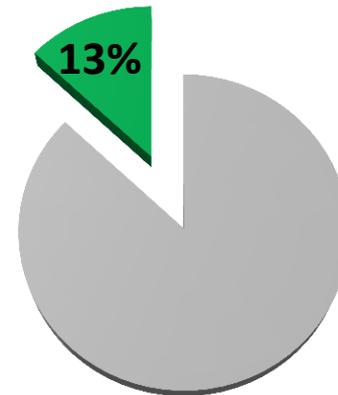
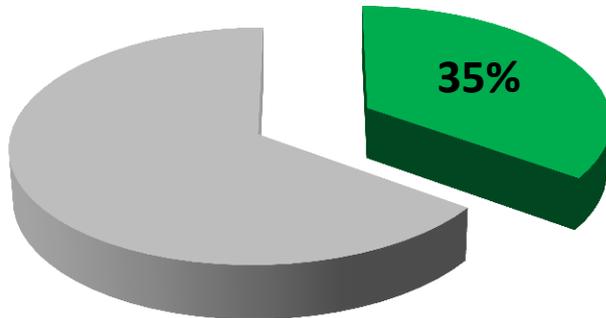
# Majority Budget Proposal

## FY16 House GOP Budget: Cuts Hidden By a Magic Asterisk



# Tax Loopholes

- Statutory corporate tax rate: 35%
- Average effective corporate tax rate (AECTR): 13%
- Nearly 55 percent of all large U.S.-controlled corporations reported no federal tax liability in at least one year between 1998 and 2005 (GAO 2008 report)



# Offshore Tax Loopholes

**Tax breaks for corporations that shift jobs & profits offshore cost more than all of these programs that serve low-income children and families.**



- Every individual income tax filer would need to pay an additional \$1,259 per year to make up for the total federal and state revenue lost to offshore tax havens in 2013.
- Taxes avoided by multinational corporations in 2013: \$110 billion

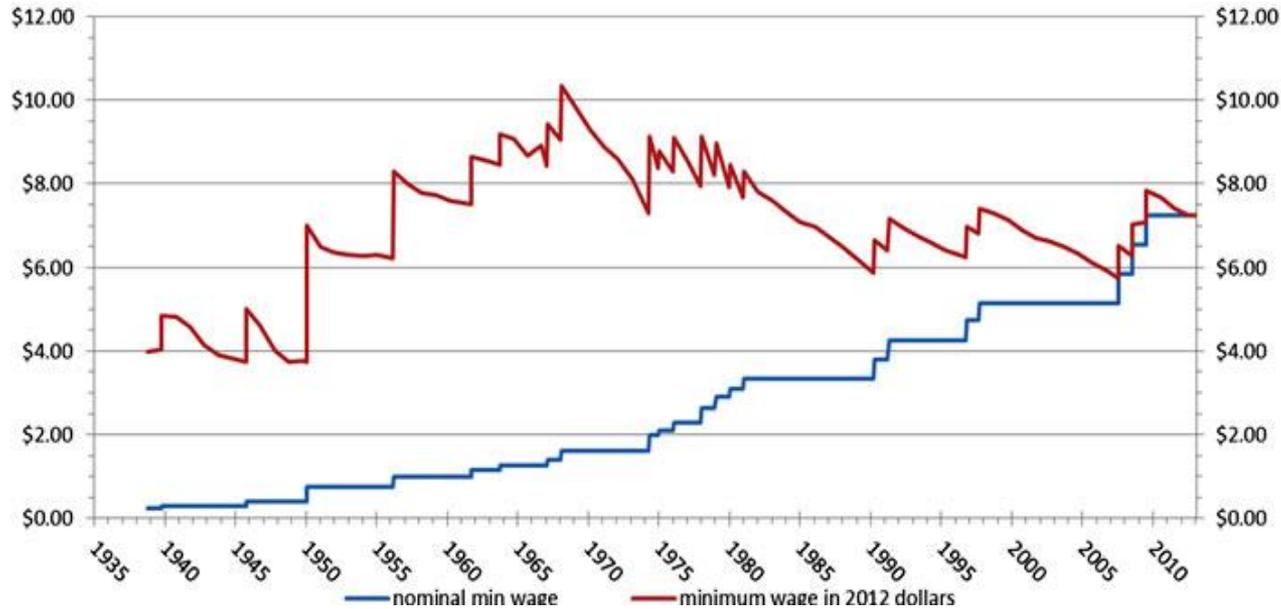
# Key Issues in Congress - 2015

- **Debt Ceiling**
- **Transportation**
- **Funding the Government**
- **Drought / Water Issues**
- **ESEA**
- **Higher Ed**
- **Oversight**
- **International Relations**
- **Income Inequality**

# Congressional Challenges - 2015

- National Debt vs. National Deficit
  - The National Deficit is the difference between revenue (taxes) and spending, and has been decreasing further each year under President Obama.
  - The National Debt is the accumulation of past deficits. Even as the Deficit decreases, the Debt is continuing to increase.
- California Housing Prices
  - Housing prices have increased year over year for 31 consecutive months in California
- Bipartisan Policy Solutions
  - FY 15 Department of Homeland Security Appropriations bill - passed 257-167 (all Democrats voting Yes)
  - Medicare Reimbursements or “Doc Fix” – passed 392 – 37

# Income Inequality and Opportunity

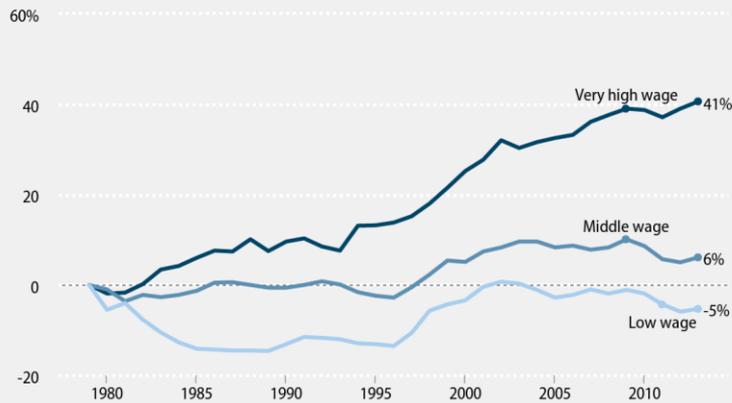


- Real minimum wage has fallen as inflation has risen, leading to reduced purchasing power for minimum wage earners
- Low-wage workers spend a higher proportion of their earnings than high-income workers
- Increases in minimum wages have the potential to stimulate the economy more than increases to high-income workers

# Income Inequality and Opportunity

**Middle-class wages are stagnant—Middle-wage workers' hourly wage is up 6% since 1979, low-wage workers' wages are down 5%, while those with very high wages saw a 41% increase**

*Cumulative change in real hourly wages of all workers, by wage percentile,\* 1979–2013*



\* Low wage is 10th percentile, middle wage is 50th percentile, very high wage is 95th percentile.

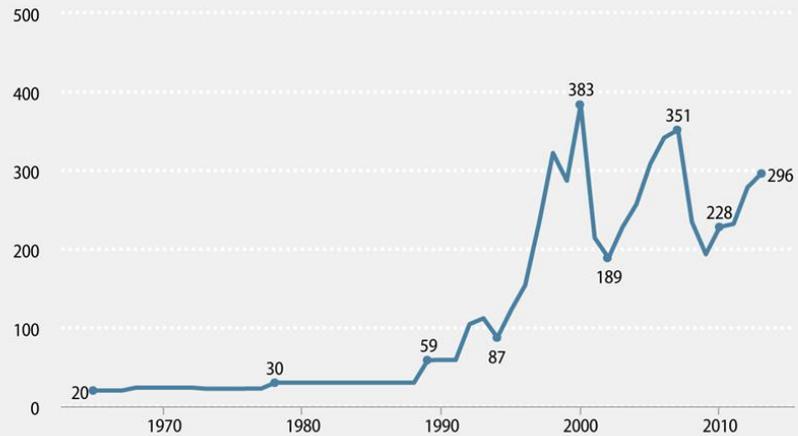
Source: EPI analysis of Current Population Survey Outgoing Rotation Group microdata

Reproduced from Figure F in *Why America's Workers Need Faster Wage Growth—And What We Can Do About It*

ECONOMIC POLICY INSTITUTE

**CEOs now make 296 times what a typical worker earns**

*CEO-to-worker compensation ratio, 1965–2013*



Note: CEO annual compensation is computed using the "options realized" compensation series for CEOs at the top 350 U.S. firms ranked by sales. Typical worker compensation is average compensation of production/nonsupervisory workers in the key industries of the firms included in the sample.

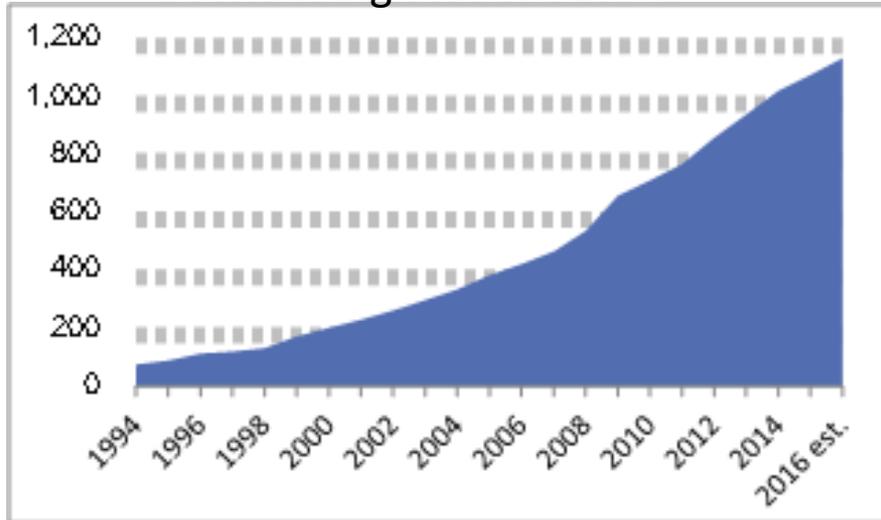
Source: EPI analysis of data from Compustat's ExecuComp database, Bureau of Labor Statistics Current Employment Statistics, and Bureau of Economic Analysis NIPA tables

Reproduced from Figure C in *CEO Pay Continues to Rise as Typical Workers Are Paid Less*

ECONOMIC POLICY INSTITUTE

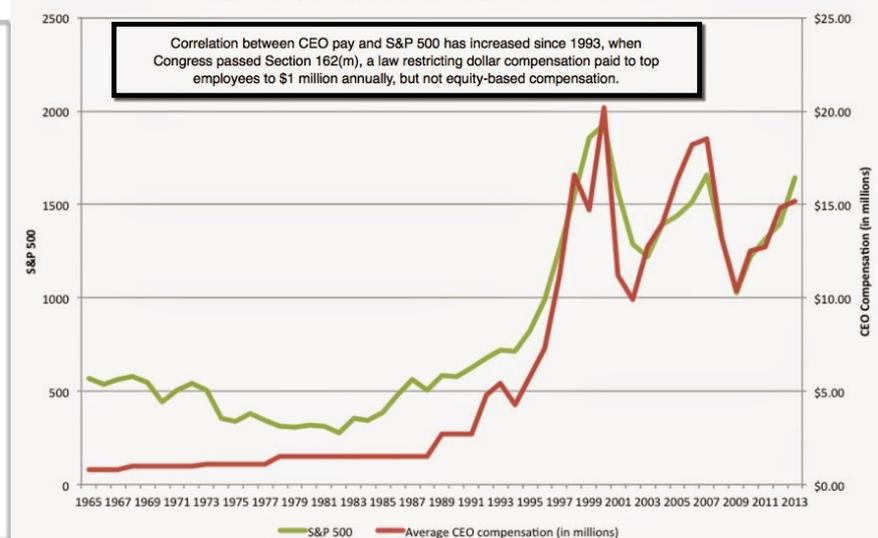
# Student Loan Debt

Outstanding Student Loans



Congressional Research Service (2015)

CEO Compensation at US companies: 1965-2013



Economic Policy Institute

- Student loan debt is growing at a rate of \$3,000 per second in the U.S.
- Meanwhile, early data suggests CEOs at the largest companies were paid 12.1% more this year than last year.
- The average CEO earned 295.9 times as much as a typical American worker in 2013, compared with 20 times as much in 1965.

# What We Are Working On

- Sponsored legislation and supported funding for National Parks, clean air, safe water, and alternative energy sources
- No Child Left Behind” (NCLB) reauthorization work:
  - Amendment to streamline Head Start services (passed in the House)
  - Amendment to maintain funding for afterschool programs and wraparound services (passed in the Senate)
- Education Listening Tour - hearing firsthand from students, parents, educators and school administrators across the district about ways to improve our educational system
- Innovation and the Human Condition Caucus
  - Toured several university facilities, including Gazzaley Labs at the University of California, San Francisco (UCSF)
- Oversight
  - Bay Bridge Radar Beacon
  - Chemical Safety Board (CSB)
  - OPM Data Breach

# Social Security Basics

- In 2015, employers and employees pay payroll (FICA) taxes of 6.2% each on all wages up to \$118, 500
- To be eligible for individual and family benefits, workers must work a specified number of quarters at a minimum income
- Although structure is progressive, benefit amounts are based on earnings while working
- 157.8 million workers (93% of all workers) pay in to Social Security
- Social Security had a \$2.76 trillion surplus in 2014 that is projected to grow through 2019.

# Bills Introduced by Congressman DeSaulnier

- **John Muir National Historic Site Expansion Act (HR 1289)**
- **Family Engagement in Education Act (HR 1194)**
- **Offshore Oil and Gas Whistleblower Protection Act (HR 2824)**

# Upcoming Bills by Congressman DeSaulnier

- **A bill to provide funding for schools to update kitchen equipment to help meet nutrition standards.**
- **A bill to help states enforce their laws against texting while driving.**
- **A bill to lower student loan interest rates for all federal loan programs, including graduate loans.**
- **A bill to ensure design changes to safety products undergo rigorous safety testing.**

# Contact Our Office

## ***Walnut Creek***

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Phone: (925) 933-2660  
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