

1 OPEN EXECUTIVE SESSION TO CONSIDER H.R. 22, THE HIRE MORE
2 HEROES ACT OF 2015
3 WEDNESDAY, JANUARY 28, 2015
4 U.S. Senate,
5 Committee on Finance,
6 Washington, DC.

7 The meeting was convened, pursuant to notice, at
8 11:17 a.m., in room 215, Dirksen Senate Office Building,
9 Hon. Orrin G. Hatch (chairman of the committee)
10 presiding.

11 Present: Senators Grassley, Crapo, Roberts, Cornyn,
12 Thune, Burr, Isakson, Portman, Toomey, Coats, Heller,
13 Scott, Wyden, Schumer, Stabenow, Cantwell, Nelson,
14 Menendez, Carper, Cardin, Brown, Bennet, and Casey.

15 Also present: Republican Staff: Chris Campbell,
16 Staff Director; Jay Khosla, Chief Health Counsel and
17 Policy Director; Jim Lyons, Tax Counsel; Mark Prater,
18 Deputy Staff Director and Chief Tax Counsel; Preston
19 Rutledge, Tax Counsel; and Katie Simeon, Health Policy
20 Advisor. Democratic Staff: Michael Evans, Democratic
21 General Counsel; Kara Getz, Senior Tax Counsel; Elizabeth
22 Jurinka, Chief Health Policy Advisor; Juan Machado,
23 Professional Staff Member; Jocelyn Moore, Deputy Staff
24 Director; Joshua Sheinkman, Staff Director; and Tiffany
25 Smith, Senior Tax Counsel. Non Designated Staff: Josh
26 LeVasseur, Chief Clerk and Historian; and Bryan Palmer,

1 Deputy Clerk.

1 OPENING STATEMENT OF HON. ORRIN G. HATCH, A U.S. SENATOR
2 FROM UTAH, CHAIRMAN OF THE COMMITTEE

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4 The Chairman. If we could call the meeting to
5 order. We have a quorum here. So I would like to move
6 ahead. And I appreciate my colleagues being here so that
7 we can move ahead.

8 I apologize for being a little late, but I was up
9 for questioning of the Attorney General nominee over in
10 the Judiciary Committee. So I really appreciate the
11 patience all of you have had.

12 Today the Committee has before it a Chairman's mark
13 of the Hire More Heroes Act, a very important bill, as
14 far as I am concerned. This is the Committee's first
15 markup of the 114th Congress, and, as Chairman, I chose
16 the most bipartisan bill I could find for our first
17 markup. We will have plenty of time to wrestle each
18 other later.

19 I want the Committee to conduct its business in an
20 efficient, effective manner, and I think marking up this
21 bill is a great way for the Committee to get off on the
22 right foot in this new Congress.

23 The Hire More Heroes Act passed the House
24 overwhelmingly -- 100 percent. In fact, it passed
25 without a single "no" vote. You cannot get more
26 bipartisan than that.

1 The Hire More Heroes Act will provide incentives for
2 companies to hire more veterans by ensuring they do not
3 count against the 50-employee threshold if the veteran
4 already has medical coverage through the Tricare program
5 or the VA.

6 Quite simply, passing this legislation is something
7 we can do that will help our Nation's veterans find
8 needed jobs, as well as help the small businesses that
9 want to hire them.

10 So I encourage every member of the Committee today
11 to embrace this bipartisan effort.

12 Like all of you, I am a legislator and I know that
13 there will be days when it is necessary, even important
14 to lock horns in legislative battle, but this is not one
15 of those days.

16 I believe that this is one of those rare days when
17 we can set aside our political differences and just do
18 something good for our military veterans and for American
19 job creators.

20 I really want to thank my good friend from Oregon
21 today, Senator Wyden, as Ranking Member. Senator Wyden,
22 you have cooperated every step of the way toward making
23 this a bipartisan markup and for that I am sincerely
24 grateful.

25 So I yield to the Ranking Member for his opening
26 statement, after which any member who wishes to make an

1 opening statement will be recognized in turn. I
2 encourage all of you to once again help Senator Wyden and
3 I move the Hire More Heroes Act through the markup
4 process as cleanly and efficiently as possible.

5 We have the experts at the table from the Committee
6 and elsewhere for any questions that may arise on this
7 bill, as we will, I think, on other bills, as well.

8 So with that, I will turn the time over to Senator
9 Wyden.

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1 OPENING STATEMENT OF HON. RON WYDEN, A U.S. SENATOR FROM
2 OREGON

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4 Senator Wyden. Thank you very much, Mr. Chairman.

5 Today, colleagues, we are going to mark up the Hire
6 More Heroes Act and in the process direct our attention
7 to a subject matter we can all agree on, helping veterans
8 find jobs and economic opportunity.

9 Senator Hatch, I want to thank you for working
10 closely with me and it is our hope, colleagues, today
11 that we are going to have a bipartisan markup.

12 The Chairman and I have enjoyed a strong working
13 relationship over the years, and, Chairman Hatch, I look
14 forward to working together with you in a variety of
15 areas and then sorting through our principled
16 disagreements when we just and I thank you for that.

17 As for today's markup, the fact is Senators do not
18 make changes to laws that are going away. The Affordable
19 Care Act has been a lifeline for millions of Americans,
20 especially those who used to go to bed at night fearing
21 that they would be discriminated against because they
22 were sick.

23 It is clear that America is not going to accept
24 turning back the clock to the days when health care was
25 only for the healthy and wealthy.

26 Today's markup acknowledges that reality and proves

1 that the security millions rely on is not going to
2 vanish. I intend to support today's legislation because
3 it simply acknowledges current law.

4 A veteran enrolled in Tricare or the VA will never
5 trigger a penalty because that veteran will never receive
6 subsidized coverage on the exchange.

7 Before wrapping up, and I intend, as Chairman Hatch
8 suggests, to be very brief, I would also like to note how
9 the Committee can do even more to help our veterans. And
10 there are a number of you that have good ideas.

11 I particularly want to commend Senator Stabenow, who
12 has been looking at a variety of ways to buttress our
13 loyalty and commitment to veterans, and I think we can do
14 it in a bipartisan way.

15 For example, the bipartisan EXPIRE Act contained a
16 number of crucial programs that benefit vets. It would
17 extend the work opportunity tax credit, which provides a
18 wage tax credit for businesses willing to hire veterans,
19 including those who are unemployed, disabled or low
20 income veterans or qualify for Federal assistance.

21 It would have extended the 20 percent wage credit
22 for employers who continue to pay military reservists
23 while they are on active duty and would have provided an
24 expanded 100 percent match for the first \$20,000 in
25 differential pay.

26 Finally, the EXPIRE Act would have extended a

1 provision that makes it easier for active military to
2 benefit from the low income housing tax credit program.

3 Each of these are actions that would help veterans
4 in significant and tangible ways. Each of them,
5 colleagues, is bipartisan.

6 In wrapping up, I want to commend again Senator
7 Stabenow and Senator Brown, who put a lot of time in
8 these veterans' issues.

9 Mr. Chairman, I would also like to note for the
10 record that Senator Nelson had to go to the White House.
11 He has a longtime record of supporting Veterans and he
12 wanted to indicate he would be supporting the bill this
13 morning.

14 The Chairman. I am well aware of Senator Nelson.
15 So that is great.

16 Let me just say this. I will now recognize Senators
17 who want to make opening statements. I understand most
18 Senators would choose not to give statements at this time
19 so that we can move quickly to the mark.

20 That said, for any Senator who does want to give an
21 opening statement, I would ask that they limit their
22 comments to no more than 4 minutes.

23 I understand that on our side, Senator Cornyn would
24 like to make an opening statement, and then I will turn
25 to the Democrat side.

26 Senator Cornyn. Thank you, Mr. Chairman. I

1 appreciate the fact that we are having this markup early
2 on and hopefully this will pass out of here with a strong
3 vote and be eligible for early floor action by the
4 Majority Leader.

5 I certainly intend to support the amendment and
6 following the Chairman's advice, which I try to do, I
7 cannot say I have a perfect record, but I try to follow
8 the Chairman's advice, I have an amendment that Senator
9 Casey and I are both offering called the Wounded Warrior
10 Tax Equity Act.

11 But taking the Chairman's advice, we will not offer
12 that amendment at this time. But I do want to just
13 highlight what this does, because I hope colleagues will
14 support us later on when we try to get this passed.

15 This amendment, of course, levels the playing field
16 for hospitalized combat troops relative to hospitalized
17 civilians when it comes to IRS collection. Specifically,
18 it prevents any extension of the tax collection period
19 after assessment for taxpayers who are members of the
20 Armed Services due to a hospitalization for combat zone
21 injuries.

22 As I mentioned, this is a bipartisan piece of
23 legislation and supported by the National Taxpayer
24 Advocate, the Veterans' of Foreign Wars, the Association
25 of United States Army, Fleet Reserve Association, and
26 Reserve Officers Association.

1 So as I said, Mr. Chairman, and I am following your
2 advice, as I know you have encouraged me to do repeatedly
3 on a variety of matters, we are not offering this
4 amendment today. But I do hope that you and the Ranking
5 Member will work with us, as well as other colleagues, to
6 get this important provision, the Wounded Warrior Tax
7 Equity Act, passed soon for the reasons I just stated.

8 Thank you very much.

9 The Chairman. Thank you, Senator. I appreciate
10 it.

11 Senator Stabenow?

12 Senator Stabenow. Thank you very much, Mr.
13 Chairman, for the opportunity to talk about ways we can
14 help our veterans get good-paying jobs and bring their
15 skills to the marketplace. I think that is something
16 that we all support.

17 I will say also thank goodness they have good health
18 care through the VA and Tricare and other government-
19 sponsored health care systems that we need to keep
20 strong.

21 The concern that I have is as we look at the Hire
22 More Heroes Act is that the Congressional Budget Office
23 and Joint Committee on Taxation, while they have not
24 given an actual estimate on the hiring impact, the data
25 we have so far suggests that the bill would do little or
26 have very little, if any effect.

1 Now, that does not mean I am going to oppose it. I
2 think anything that we do is a positive thing. But we do
3 know that if we wanted to help a million veterans who are
4 underpaid right now be able to put more money in their
5 pocket and care for themselves and their families, it
6 would be to pass an amendment that I have offered.

7 Despite the fact that it is germane, I will wait,
8 out of respect for the Chairman, and hold it for the
9 floor. But I do want to ask unanimous consent to add
10 Senator Ben Cardin as a cosponsor, Mr. Chairman, and just
11 speak for a moment about the fact that my amendment would
12 say that any full-time hourly worker who is a military
13 veteran covered by Tricare or VHA health care would have
14 to be paid the minimum wage that we have been talking
15 about that gets people above the poverty line, which is
16 \$10.10 an hour, indexed to inflation, in order for
17 employers to be able to receive the requirements in this
18 bill.

19 Our veterans deserve jobs that pay a living wage and
20 right now there are a million veterans who are making
21 less than \$10.10 an hour and, therefore, are receiving
22 other kinds of government services, food assistance and
23 other things that they would not be receiving if they at
24 least made \$10.10 an hour.

25 This would make a real difference for men and women
26 in uniform. I am not asking for an amendment, as I said,

1 but I would certainly ask for support on the floor.

2 In addition, I filed an amendment I call the New
3 Skills for New Jobs Act that would provide a Federal
4 match for state programs working our community colleges
5 and this is something that has been very successfully
6 done in Michigan and would remove barriers for our
7 veterans to get them into the jobs that are now being
8 created and are available.

9 Finally, Mr. Chairman, I would simply underscore
10 what Senator Wyden indicated, that the EXPIRE Act, which
11 we did our Committee work on, the 2-year act last year,
12 which did not pass in its fullness, I would hope that we
13 would very quickly move to that, because if we really
14 want to help veterans, we will extend the 20 percent wage
15 credit for employers who continue to pay military
16 reservists while they are on active duty and would
17 provide an expanded 100 percent match for the first
18 \$20,000 in differential pay.

19 We have provided tax credits to support employers,
20 to encourage them to hire our veterans. The EXPIRE Act
21 has very important provisions in it that would make a
22 real difference -- a real difference -- not what we are
23 talking about today, but a real difference for people who
24 are serving us or have served us to be able to get a good
25 paying job.

26 So I look forward, Mr. Chairman, to working with you

1 on all of these issues.

2 Thank you.

3 The Chairman. Well, I thank the distinguished
4 Senator in her cooperation here today.

5 I understand there is only one other person who
6 would like to speak on our side and that is Senator
7 Heller of Nevada.

8 Senator Heller?

9 Senator Heller. Mr. Chairman, thank you. If I
10 may, I would like to submit my opening remarks for the
11 record. But I just thank you and the Ranking Member for
12 bringing forward this important bipartisan piece of
13 legislation.

14 Thank you.

15 [The prepared statement of Senator Heller appears at
16 the end of the transcript.]

17 The Chairman. Thank you so much. Now, everybody
18 arrived at the same time. So we are just going to go
19 down the order.

20 Senator Cantwell?

21 Senator Cantwell. Thank you, Mr. Chairman. I will
22 submit a statement for the record. But as we are talking
23 about issues for veterans, the work opportunity tax
24 credit for veterans that was part of the extender
25 package, but could be more robust and more clarity for
26 the future is something that is very important.

1 We in the Pacific Northwest have an opportunity, we
2 have the need for 50,000 new aerospace workers over the
3 next several years. And so hooking up veterans with the
4 skills and the training to fill those jobs would be
5 incredibly important. So looking at ways to motivate
6 them through our tax code and employers to get that
7 training done would be great.

8 Thank you.

9 [The prepared statement of Senator Cantwell appears
10 at the end of the transcript.]

11 The Chairman. Well, thank you. Senator Isakson?

12 Senator Isakson. Mr. Chairman, at the appropriate
13 time, I would like to enter into a colloquy with Senator
14 Brown, if you would let us know when that time comes.

15 The Chairman. Without objection, that will be
16 done.

17 Let me go to the Senator from Delaware.

18 Senator Carper. I will also submit an opening
19 statement for the record, Mr. Chairman, and thank you for
20 the opportunity to have an open process today and the
21 chance to offer some amendments that I will offer too.

22 Thank you.

23 [The prepared statement of Senator Carper appears at
24 the end of the transcript.]

25 The Chairman. Thank you, Senator.

26 Senator Portman?

1 Senator Portman. Mr. Chairman, I will submit my
2 opening statement for the record as well.

3 I would just briefly -- Senator Cantwell commented
4 on the work opportunity tax credit. This does provide
5 help for veterans. We will offer an amendment on that
6 today and then withdraw it for the germaneness rules that
7 you have established.

8 Then, second, the health care tax credit with
9 Senator Brown, and I appreciate your allowing us to have
10 that discussion today because it is incredibly important
11 for my constituents back in Ohio.

12 Senator Coats?

13 [The prepared statement of Senator Portman appears
14 at the end of the transcript.]

15 The Chairman. Senator?

16 Senator Coats. Ditto for what has been said.

17 The Chairman. That is fine. We will go to Senator
18 Cardin.

19 Senator Cardin. Thank you, Mr. Chairman. And let
20 me thank you for bringing this issue forward. I support
21 the Hire More Heroes Act, and it is a positive amendment
22 to the Affordable Care Act and, as Senator Wyden says, we
23 very much appreciate that.

24 I just want to underscore one point about the
25 Affordable Care Act. We talk about rewarding employers.

26 If you look at how we have slowed down the increase

1 in health care costs between 2010 and 2014, if it would
2 have been at the same rate the decade before, the
3 increased cost to family health care today would be
4 \$1,800. So we have really made a huge difference in the
5 accessibility of health care, affordable care in our
6 country, which helps our employers and helps our
7 veterans. I just really wanted to underscore that.

8 Mr. Chairman, I have amendments that I was going to
9 offer. I am not going to offer them, at the Chairman's
10 suggestion. One has already been talked about that
11 Senator Portman will be offering that deals with the work
12 opportunity tax credit.

13 So let me take the time now during my opening
14 statement, to save time later, of the importance of that
15 credit. Senator Cantwell has also mentioned it.

16 It is a tax credit that helps employers that hire
17 certain target groups, including our veterans. Twelve
18 million people have been literally moved from public
19 assistance to the workforce since the inception of the
20 work opportunity tax credit in 1996.

21 In 2014, an estimated 80,000 veterans took advantage
22 of the work opportunity tax credit. And I mention that
23 because we extended it, but it expired on December 31.
24 This is very difficult to enact retroactively because
25 employers incur a cost in screening and in training and
26 in the paperwork required to use the work opportunity tax

1 credit and if they do not know it is there, it is going
2 to be extended, this is a tough one to extend
3 retroactively.

4 So I just underscore the point Senator Wyden made.
5 We really need to deal with tax extenders early because
6 they have expired. It is not like they are there and we
7 need to extend them. If we are going to extend them, we
8 should do it early.

9 The second amendment I was going to offer that I
10 will not offer deals with the fully developed claim
11 guarantee for disabled veterans. This is a pilot program
12 that we have used where a veteran submits all of their
13 medical information up front. They are guaranteed an
14 expedited review and determination on disability and if
15 it is not done within 180 days, they get provisional
16 benefits.

17 My amendment would make that permanent and would
18 really help our veterans get timely consideration of our
19 their disabilities.

20 The third amendment that I was going to offer is one
21 that Senator Shaheen has brought forward in the Senate
22 and that is that Tricare eligibility or first eligibility
23 to Tricare should be considered a change in status event.
24 It is not clear under the law whether that is or not
25 under the Affordable Care Act.

26 Therefore, it is possible that veterans would have

1 to wait until the next open enrollment in order to get
2 full benefits and I do not think any of us ever intended
3 that to be and would clarify that point.

4 So, Mr. Chairman, I hope in each of the three cases
5 I mentioned that we will have opportunities to do more
6 for our veterans and I think in each case this would
7 help. But certainly I understand the ground rules and
8 germaneness rules in regard to this legislation and I am
9 supporting the Chair.

10 The Chairman. I appreciate the distinguished
11 Senator.

12 If it is possible, would it be possible to pass the
13 bill -- we are going to stay here through the remainder
14 of the statements. I understand there are no further
15 statements on this side.

16 Senator Toomey. Mr. Chairman?

17 The Chairman. Yes?

18 Senator Toomey. I would like an opportunity to
19 offer and withdraw an amendment briefly and to make a
20 brief statement about it at whatever time you would
21 prefer.

22 The Chairman. Well, you had better do it right
23 now.

24 Senator Roberts. Mr. Chairman?

25 The Chairman. Yes, sir?

26 Senator Roberts. Why do we not just offer the

1 amendments or talk about the fact that you would have
2 offered the amendments, and we can pass the bill and go
3 on? And then you can go out in the hallway and talk
4 about it to the press, and you will get all the press
5 that you want.

6 The Chairman. What I would like to do for
7 everybody who has a busy day today is to pass the bill
8 and take the statements that are important. They are
9 important statements.

10 Senator, you have the floor, if you want to --

11 Senator Wyden. Mr. Chairman, just very briefly. I
12 think there are only three over here who have opening
13 statements. I think it is important. This is an
14 important issue. They are going to be very brief.

15 The Chairman. That will be fine. That will be
16 fine. I did not mean to interrupt you. Go ahead and
17 finish.

18 Senator Wyden. No. I think we all want to move
19 quickly, but I think we ought to let our colleagues be
20 heard.

21 The Chairman. All right. Senator Toomey?

22 Senator Toomey. Thanks, Mr. Chairman. I will just
23 be very brief. What I think is important and
24 constructive about what we are doing here is this
25 Committee I think is going to make an important
26 acknowledgement that the employer mandate in Obamacare

1 cost us jobs and what we are going to do is we are going
2 to take a small subset of Americans and we are going to
3 relieve them of that job-killing provision by excluding
4 them from the count that triggers the Obamacare employer
5 mandate.

6 I am in favor of it, and I am glad we are doing it,
7 but I would suggest that we should consider other
8 categories of Americans who also should be relieved of
9 this job-killing provision.

10 I am grateful to Senator Warner for joining me in an
11 amendment that would exempt volunteer firefighters. Now,
12 the Administration, through the IRS ruling, has pretty
13 much made it clear that volunteer firefighters are not
14 going to be counted toward the 50-employee threshold that
15 triggers these expensive mandates.

16 What our amendment would do is codify that and make
17 it permanent, as I think it should be.

18 So I will not offer the amendment today. I am happy
19 to defer to the Chairman. But I do hope to get an
20 opportunity to pursue that legislation in the future.

21 The Chairman. I appreciate the Senator from
22 Pennsylvania.

23 Senator Menendez?

24 Senator Menendez. Thank you, Mr. Chairman. Look,
25 helping veterans find quality jobs after they leave the
26 service is certainly a laudable goal and something we all

1 can support. And while the bill before the Committee
2 today purports to do just that, the actual impact on
3 veterans' jobs is minimal, at best.

4 There is far more we could do to immediately spur
5 veterans' job growth. In fact, we need only to look at
6 the EXPIRE Act which overwhelmingly passed this Committee
7 last year. It included direct tangible incentives for
8 businesses to hire veterans.

9 Specifically, the EXPIRE Act extends the work
10 opportunity tax credit, providing employers with up to
11 \$9,600 in tax credits to hire qualified veterans; extends
12 the 20-percent wage credit for employers who continue to
13 pay military reservists while they are on active duty;
14 and, provides an expanded 100 percent match for the first
15 \$20,000 of differential pay. Finally, it would make it
16 easier for active duty troops to find affordable housing.

17 These policies would not only provide real tangible
18 benefits to veterans and active military, they also help
19 the economy and save the government money by reducing
20 Medicaid, TANF and SNAP enrollment.

21 In my home State of New Jersey alone, the work
22 opportunity tax credit would save taxpayers nearly \$9
23 million per year as veterans and other vulnerable
24 populations find gainful employment and move off the
25 TANF, SNAP and Medicaid.

26 These policies would not only provide real tangible

1 benefits to businesses, veterans and active personnel,
2 they also help the economy and save the government money.

3 So if we are really serious about helping veterans
4 find good jobs, if we are really genuine in our desire to
5 give back to those who gave so much, then we need to get
6 to work to extend these expired provisions and provide
7 working families and veterans with the certainty they
8 deserve.

9 Now, I am going to talk about a couple of amendments
10 which I will not offer, but I think are critical, even as
11 we consider this legislation. My first amendment
12 addresses the issue of ensuring timely access to care for
13 veterans by requiring that the reforms to the VA and
14 Veterans' Health Administration that Congress passed just
15 a few months ago with the Veterans' Access, Choice and
16 Accountability Act are certified to be fully implemented
17 before this bill can take effect.

18 Why? Last year, when Americans were shocked that
19 reports came out of the problems going on at the VA, with
20 veterans having inexcusable difficulty getting health
21 care out of VA health facilities, cooking the books to
22 hide their poor performance and scheduling backlogs, we
23 moved quickly and decisively to address these issues and
24 start down the track of reforming the Veterans' Affairs
25 Administration by passing that legislation with broad
26 bipartisan support.

1 Included in this law is the establishment of a
2 Commission on Care to conduct a comprehensive evaluation
3 of access to care and examine ways to restructure the VH
4 Administration to ensure veterans have timely access to
5 the high quality care they deserve.

6 This amendment would simply state that until the
7 Commission on Care's recommendations to ensure that
8 veterans have timely access to care are fully implemented
9 and verified by the GAO before the bill can take effect
10 in order to make sure that we do not end up having them
11 getting off the possibility under the Affordable Care Act
12 as long as they are getting VA health care.

13 My second amendment would address a concern I have
14 and I think other members of the Committee have about the
15 potential for employers to discriminate against hiring
16 vets without veteran health benefits or making vets feel
17 obligated to enroll in VA or Tricare benefits as a way to
18 get a job.

19 Currently, employees who were enrolled in VA or
20 Tricare previously, but who lose that coverage because of
21 a divorce that causes them to lose spousal coverage, for
22 example, the employer has the incentive to fire that
23 employee for the sole reason that it might tip them over
24 the 50-employee threshold, and I think that is incredibly
25 important.

26 Finally, my third amendment ensures that veterans

1 are not responsible for getting their coworkers kicked
2 out of their employer-sponsored insurance by requiring at
3 least 95 percent of all the firm's employees have access
4 to other forms of coverage for that firm to exempt
5 counting veterans as employees in order to fall below the
6 threshold for penalties for not offering coverage.

7 I think if we are going to do this and supposedly we
8 are going to do this to help veterans, then we have to
9 ensure that that is the consequence of what we are going
10 to do. And while I withhold now, in deference to the
11 Chair and the Ranking Member, I fully intend not to
12 withhold on the floor.

13 The Chairman. I appreciate that, Senator Menendez.

14 The distinguished Chairman of the Judiciary
15 Committee would like to make a statement. He has left
16 his very important hearing of the Attorney General. So
17 we will hear him at this time and then I will turn to
18 Senator Brown.

19 Senator Grassley. If you wonder what I am doing
20 here, I guess I went in the wrong door, obviously.

21 [Laughter.]

22 Senator Grassley. Again, Mr. Chairman, I want to
23 offer an amendment and, as Senator Menendez says, out of
24 respect for you two leaders of this group to move this
25 very important bill, but it is something I want my
26 colleagues to think about.

1 So this is Grassley Amendment No. 1. I agree with
2 my colleagues on the importance of passing the bill
3 before us to increase employment opportunities for
4 veterans. It is very important that the bill pass
5 without delay.

6 So I would highlight another area of the Affordable
7 Care Act that this Committee should consider addressing.
8 This involves the ability of small businesses to provide
9 assistance to their employees to obtain health coverage.

10 Under the ACA, so-called market reforms, the small
11 businesses are discovering that they may be subject to
12 thousands of dollars in taxes simply to help their
13 employees pay for health insurance. Farmers, ranchers,
14 small businesses generally frequently do not have the
15 resources to offer traditional group health plans to
16 their employees. However, many still would like to help
17 their employees afford health insurance.

18 They often do this by reimbursing their employees on
19 a pre-tax basis for the cost of health insurance that
20 they purchase on an individual market. Unfortunately,
21 many small businesses have been caught off guard by the
22 IRS notice issues September 2013 that essentially makes
23 it illegal for small businesses to pay health insurance
24 premiums for their employees.

25 As a result, small businesses that have no
26 obligation to offer insurance in the first place would b

1 subject to as much as \$100 per day per employee penalty
2 for helping their employees purchase insurance.

3 I have had a number of my constituents ask me about
4 this. I just want to quote a couple. Dennis, Sioux
5 City, quote, "Help. I'm a small business owner, seven
6 employees. I have been helping to subsidize my
7 employees' health insurance for 20 years. I have found
8 out that the market reforms of the ACA have made that
9 illegal. Now, all of my employees will have to pay taxes
10 on money I gave them for health insurance. They all
11 live paycheck-to-paycheck and won't be able to come up
12 with the taxes on this money. They also most likely
13 won't qualify for exchanges or any government subsidy.
14 They are caught in the middle. I can't subsidize their
15 health insurance because I risk \$100 a day employee fine.
16 Please hurry and do something to help the millions of
17 middle class small businesses who are caught between a
18 rock and a hard pan."

19 I have another example, but not to take the time of
20 the Committee, I will put it in the record, ask for your
21 consideration of this at some future date, Mr. Chairman,
22 and help us get this taken care of for small business. I
23 will put the rest of the statement in the record and
24 withdraw the amendment.

25 [The prepared statement of Senator Grassley appears
26 at the end of the transcript.]

1 The Chairman. Thank you, Senator Grassley.

2 Senator Brown?

3 Senator Brown. Thank you, Mr. Chairman. At the
4 end of my brief remarks, Senator Isakson and I were going
5 to do a colloquy and he will begin it.

6 But I have three amendments I was going to offer and
7 withdraw. I will just mention them briefly.

8 One is with Senator Portman and a number of others
9 on the health coverage tax credit. It was part of the
10 bipartisan extenders package and it is especially
11 important for Delphi workers and others, some 20,000
12 Delphi salaried retirees who lost significant amounts of
13 their pensions and who face financial hardship.

14 PBGC has tried to help, but its support is not
15 adequate, as you know. The Committee passed this
16 amendment bipartisanly last year. We need to do it
17 sooner rather than later.

18 The second amendment I would have offered and
19 withdrawn, following Senator Roberts' admonition, is
20 about the bipartisan children's health insurance program.
21 We were regaled, as you remember, yesterday with Senator
22 Hatch's story of when he and Senator Kennedy did this in
23 1997, bipartisan, dropped the uninsured rate in half of
24 children, 130,000 children in my home State of Ohio have
25 better health care -- have health care or significantly
26 better health care than they would have without the

1 children's health insurance program.

2 It is reauthorized until 2019, but we need to do the
3 funding by September. We know that CHIP works and so
4 many of you have been so interested in that, including
5 the Ranking Member, Senator Wyden. And as I said,
6 Senator Hatch helped to write this bill.

7 The last is the CHAMPVA bill. Senator Heller and I
8 have been working on this with a number of others. While
9 100,000 young Ohioans, young people in my State have
10 insurance, again, under the Affordable Care Act because
11 they are under 26, they are on their parents' health
12 plan. We want to make sure children are covered by the
13 CHAMPVA benefits equal to the civilian counterparts. And
14 that is an amendment I am also offering and withdrawing.

15 So I will yield to Senator Isakson, at the Chair's
16 request, to do a short colloquy.

17 The Chairman. Senator Isakson? And then we will
18 go to our last speaker and that will be Senator Bennet.

19 Senator Isakson. I thank Senator Brown for the
20 recognition. I thank Chairman Hatch and Ranking Member
21 Wyden for their attention to this bill.

22 As a member of the Veterans' Committee, along with
23 Senator Heller and Senator Brown and others, we are
24 delighted anytime we are focusing on jobs for veterans.

25 It has come to my attention that some stakeholders,
26 including references made today by Senator Menendez, are

1 concerned that the Hire More Heroes Act could cause an
2 employer to pressure a veteran to enroll in VA or Tricare
3 coverage.

4 I want to ensure those groups that that is not the
5 intent of this legislation whatsoever. The intention of
6 this legislation is to create incentives for employers to
7 hire more veterans who already have health care coverage
8 through VA and Tricare, not to force veterans into those
9 programs.

10 We will continue to work with the stakeholders to
11 ensure this legislation accomplishes those goals. And I
12 yield to Senator Brown.

13 Senator Brown. I share Senator Isakson's, the
14 Chair of the Veterans' Committee, commitment to ensuring
15 the policies do not manifest as unintended consequences
16 that could adversely affect veterans and their families
17 and coworkers.

18 We need to work together to improve job
19 opportunities and access as this bill begins to do,
20 attempts to do, and we will make sure in Veterans'
21 Committee, working with the Finance Committee, that we
22 can work on this.

23 I thank Senator Isakson and the Chair.

24 The Chairman. I thank both the Senators.

25 Senator Bennet? You will be last and then we are
26 going to move for the mark.

1 Senator Bennet. Thanks, Mr. Chairman.

2 Senator Wyden. Just before we do that, a quick
3 comment with respect to the colloquy. I want to thank
4 Senator Isakson and Senator Brown and Chairman Hatch. We
5 are all here in support of veterans. We are going to
6 work very closely with you.

7 I also want to note, because I am not sure he is
8 going to speak, again, I am a cosponsor of Senator
9 Brown's amendments, two very important ones, one that
10 makes children a priority, the other that makes the
11 health coverage tax credit a priority. We are going to
12 spend a lot of time on these issues in the days ahead.
13 They are urgent, and I look forward to working with my
14 colleague on it.

15 Thank you, Mr. Chairman.

16 The Chairman. Thank you. Senator Bennet?

17 Senator Bennet. Thank you, Mr. Chairman. And I
18 will be brief. I know you are anxious to vote.

19 I want to say at the outset I am very glad that the
20 Finance Committee is working to make reasonable
21 improvements to the Affordable Care Act and I hope that
22 this is the beginning of a de-politicization of the
23 discussion around health care.

24 Today I have filed several amendments to our address
25 our veterans' health care, particularly in Colorado, and
26 although they may be outside the scope of this markup, I

1 hope that Congress will be able to consider them in the
2 coming months.

3 Two of my amendments would speed the completion of a
4 new VA hospital in Denver, Colorado, which is long
5 overdue. The first amendment is based on companion bills
6 introduced today with Senator Cory Gardner in the Senate
7 and led by Representative Mike Coffman in the House.

8 It would enable the Army Corps of Engineers to take
9 over the management of the project so that we can
10 complete the hospital as quickly as possible to serve our
11 veterans.

12 The second amendment would provide the VA greater
13 flexibility to provide additional resources to the
14 project.

15 Both of these amendments will help correct, I hope,
16 some of the VA's considerable mistakes and ensure that
17 veterans throughout Colorado and the Rocky Mountain West
18 can receive the care they deserve.

19 I have also introduced two more amendments that make
20 needed improvements on the recently created Veterans'
21 Choice Program. First, under the current program, a
22 veteran who lives more than 40 miles away from a VA
23 medical facility can use a local private doctor to meet
24 their health care needs, which I have heard a lot of
25 veterans in Colorado say they would like.

26 But unfortunately, the law that we passed measures

1 40 miles in a straight line and given the mountainous
2 terrain of rural Colorado, this is completely
3 impractical.

4 My amendment would ensure that the VA measures 40
5 miles to reflect the actual distance that a veteran has
6 to travel rather than as a straight line. In other
7 words, the way a real American would measure distance,
8 not the way we are doing it here in Washington. This
9 would provide greater health care choices to veterans
10 throughout Colorado.

11 Second, we have veterans disqualified from using the
12 Veterans' Choice Program because they live within 40
13 miles of a qualified VA medical facility, even when that
14 facility does not offer the care they need.

15 For example, if they live 40 miles away from a VA
16 outpatient clinic, but you need inpatient hospital care,
17 you do not qualify for the Veterans' Choice Program.

18 This amendment would change the law so that veterans
19 are only disqualified from using the Veterans' Choice
20 Program if they live within 40 miles of the facility that
21 actually offers the service that they need.

22 Mr. Chairman, while I will not offer these
23 amendments today, I hope we will continue to work
24 together in support of our country's veterans. There is
25 so much work for us to do.

26 I appreciate the bipartisan spirit of this markup

1 and look forward to supporting the bill.

2 The Chairman. Thank you, Senator.

3 Senator Casey, do you have any comments you would
4 care to make before we go to the mark, by chance?

5 Senator Casey. No.

6 The Chairman. The Committee has before it the
7 Chairman's mark on the Hire More Heroes Act, H.R. 22.
8 Now, the next order of business is to walk through the
9 mark and answer any questions.

10 As is our usual practice, I recognize the Chief of
11 Staff of the Joint Committee on Taxation, Tom Barthold.

12 Mr. Barthold, could you briefly describe the main
13 features of the mark?

14 Mr. Barthold. Thank you, Chairman Hatch, members
15 of the Committee.

16 You have before you Joint Committee Document JCX-2,
17 which describes the mark. In short, under the Affordable
18 Care Act, large employers are subject to a tax, the
19 assessable amount, if that employer does not offer its
20 full-time employees and their dependents essential health
21 coverage and if in any month at least one full-time
22 employee receives premium assistance or reduced cost-
23 sharing benefits.

24 A large employer is defined as having 50 full-time
25 employees during the preceding calendar year. H.R. 22
26 would provide that in the determination of whether you

1 cross the 50-employee threshold, an individual would not
2 be counted if that individual has medical coverage for
3 the month under a program for members of Armed Services,
4 such as Tricare or coverage under Veterans' Health
5 Administration health care program.

6 The proposal would be effective for months beginning
7 after December 31st of 2013.

8 I am happy to answer any questions that the members
9 might have.

10 The Chairman. Let us do this now. The way we have
11 to go right now is we have an amendment queue. Can I
12 read that and can everybody -- can I offer the
13 amendments, each one of you, and then withdrawn them or
14 should I just go quickly through?

15 Senator Menendez. Unless there is objection, I
16 think we have already discussed the amendments.

17 The Chairman. If there is no objection, then I am
18 not going to go through it then.

19 Senator Schumer wants us to go through it.

20 Senator Wyden. I think our colleague from Delaware
21 may want to make a comment. Is that right?

22 Senator Carper. Thank you so much. Two quick
23 ones. I was amazed to learn 3 years ago that children in
24 foster care as young as 1 or 2 years of age were being
25 administered psychotropic drugs, mind-altering drugs
26 because of their behavior rather than actually finding

1 out the root, the underlying cause of their behavior. We
2 were just drugging them, overdosing, and it was awful.

3 GAO found out about it, gave us a study. We did a
4 hearing on it.

5 The first amendment I am going to offer and withdraw
6 would require the Department of Health and Human Services
7 to release guidance to States to clarify the kind of
8 alternative treatment they are eligible to reimburse
9 through the Medicaid program. That is number one.

10 Number two, Tom Coburn has gone, not forgotten. He
11 and I worked together and put together legislation called
12 the PRIME Act, P-R-I-M-E, and it includes a whole bunch
13 of ways to save money, fraudulent spending, wasteful
14 spending through the Medicare and Medicaid program.

15 That is something that I will offer later on, and it
16 saves literally billions, I mean, tens of billions of
17 dollars over the next 10 years, if we want to come back
18 and work that this session.

19 If I could have offered it today, I would have
20 offered it today. We offered it in the last Congress.
21 We had more than a quarter of the Senate who were
22 cosponsors of the legislation. I thank you for that
23 support and for this opportunity. Thank you, sir.

24 The Chairman. Thank you, Senator.

25 Senator Portman, I believe, is our next to last one,
26 I think.

1 Senator Portman. Thank you, Mr. Chairman. I filed
2 an amendment that adds long-term unemployed to the work
3 opportunity tax credit and extends it for 1 year. This
4 is the work opportunity tax credit that was talked about
5 earlier that does apply to our veterans because veterans
6 are eligible for it.

7 It is a great way to get people to work and all of
8 us seem to share that on both sides of the aisle.
9 Unfortunately, it expired at the end of last year. So I
10 was hoping we could have an opportunity to discuss that.

11 I know it is not viewed as germane. So I will
12 withdrawn the amendment. I appreciate you giving me the
13 opportunity to talk about it, and we look forward to the
14 opportunity to raise it during the appropriate forum.

15 Finally, again, with Senator Brown, we had planned
16 to offer an amendment with regard to the health care tax
17 credit. I will let Senator Brown speak to that, but this
18 is something that we have talked about in this Committee
19 several times and have been told, well, this is not the
20 right forum, let us put it off to another markup.

21 Again, I understand it does not meet the germaneness
22 rules here, but this is something real important to
23 former Delphi employees in our State and in many other
24 States represented here and we hope we can get to that at
25 the appropriate time, Mr. Chairman.

26 The Chairman. I thank the Senator for his

1 cooperation.

2 Senator Brown. Mr. Chairman, I have already spoken
3 on it.

4 Senator Wyden. Senator Casey wanted to be heard.
5 The Chairman. Senator Casey?

6 Senator Casey. Mr. Chairman, I was foregoing
7 opening so that we could talk about an amendment, but I
8 thought we would do it later. But if we have to do it
9 now, I will just do it very briefly.

10 The Chairman. You do not have to, but it is fine.

11 Senator Casey. Thanks very much. Two amendments,
12 both of which I will have offered and withdrawn.

13 First, regarding family coverage under ACA. This
14 particular amendment is based upon legislation that
15 Senator Franken put forth last Congress. It is a simple
16 clarification of congressional intent from when the ACA
17 was drafted.

18 It is intended to correct a misinterpretation of the
19 law as it is being implemented by the IRS. The
20 misinterpretation means that families who have lower
21 incomes are not able to use the law's premium tax credits
22 to purchase affordable health insurance. So we want to
23 address that issue. Now is not the time, but we will
24 continue to assert that.

25 The second amendment also clarifies congressional
26 intent regarding the ACA. It was intended to correct

1 another misinterpretation of the law. The ACA extended
2 Medicaid coverage to all former foster youth who were
3 enrolled in Medicaid when they age out of the foster care
4 system until they turn 26.

5 What we want to make sure is that foster care youth
6 who remain living in the State where they age out of the
7 foster care system can still get the benefit of the ACA.

8 Thanks very much.

9 The Chairman. I thank all the Senators.

10 Is there anything else people want to say before we
11 move to the final mark?

12 [No Response.]

13 The Chairman. If there is no further debate, I
14 would entertain a motion that the Committee order the
15 bill reported with the Chairman's mark.

16 Senator Wyden. I so move, Mr. Chairman.

17 The Chairman. The Clerk will call the roll.

18 The Clerk. Mr. Grassley?

19 The Chairman. Aye by proxy.

20 The Clerk. Mr. Crapo?

21 Senator Crapo. Aye.

22 The Clerk. Mr. Roberts?

23 Senator Roberts. Aye.

24 The Clerk. Mr. Enzi?

25 The Chairman. Aye by proxy.

26 The Clerk. Mr. Cornyn?

1 The Chairman. Aye by proxy.
2 The Clerk. Mr. Thune?
3 The Chairman. Aye by proxy.
4 The Clerk. Mr. Burr?
5 Senator Burr. Aye.
6 The Clerk. Mr. Isakson?
7 Senator Isakson. Aye.
8 The Clerk. Mr. Portman?
9 Senator Portman. Aye.
10 The Clerk. Mr. Toomey?
11 Senator Toomey. Aye.
12 The Clerk. Mr. Coats?
13 Senator Coats. Aye.
14 The Clerk. Mr. Heller?
15 Senator Heller. Aye.
16 The Clerk. Mr. Scott?
17 Senator Scott. Aye.
18 The Clerk. Mr. Wyden?
19 Senator Wyden. Aye.
20 The Clerk. Mr. Schumer?
21 Senator Schumer. Aye.
22 The Clerk. Ms. Stabenow?
23 Senator Stabenow. Aye.
24 The Clerk. Ms. Cantwell?
25 Senator Cantwell. Aye.
26 The Clerk. Mr. Nelson?

1 Senator Wyden. Aye by proxy.

2 The Clerk. Mr. Menendez?

3 Senator Menendez. Aye.

4 The Clerk. Mr. Carper?

5 Senator Carper. Aye.

6 The Clerk. Mr. Cardin?

7 Senator Cardin. Aye.

8 The Clerk. Mr. Brown?

9 Senator Brown. Aye.

10 The Clerk. Mr. Bennet?

11 Senator Bennet. Aye.

12 The Clerk. Mr. Casey?

13 Senator Casey. Aye.

14 The Clerk. Mr. Warner?

15 Senator Wyden. Mr. Warner, aye by proxy.

16 The Clerk. Mr. Chairman?

17 The Chairman. Aye.

18 The Clerk will announce the vote.

19 The Clerk. Mr. Chairman, the final tally,

20 including proxies, is 26 ayes and 0 nays.

21 The Chairman. Well, I want to thank my colleagues

22 for passing the first vote out of this Committee this

23 year of substance. I hope we can work as well in the

24 future even on some that might be more difficult.

25 I ask consent that the staff be granted authority to

26 make technical, conforming and budgetary changes.

1 Without objection, it is so ordered.

2 I want to thank every Senator on this Committee who
3 participated today and as I said at the outset, my hope
4 for this markup was that we could demonstrate that we are
5 able to work in a bipartisan fashion and produce results.

6 We have certainly done that today and there is a
7 reason this process was so bipartisan. The bill will do
8 good things for veterans and for job creators and I think
9 we all recognize that.

10 I appreciate everyone's willingness to work with
11 Senator Wyden and me to reach this result. So I thank
12 all Senators for their participation.

13 The Committee is adjourned. Thanks so much.

14 [Whereupon, at 12 p.m., the Committee was
15 adjourned.]

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I N D E X

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STATEMENT OF:

THE HONORABLE ORRIN G. HATCH
A United States Senator
from the State of Utah 3

THE HONORABLE RON WYDEN
A United States Senator
from the State of Oregon 6

**Statement of Senator Chuck Grassley
Grassley Amendment 1**

Mr. Chairman, I would like to speak on my amendment to the Hire More Heroes Act. I agree with my colleagues on the importance of passing the bill before us to increase employment opportunities for veterans. It is important we pass this bill without delay. But, I would also like to highlight another area of the Affordable Care Act this Committee should consider addressing. This involves the ability of small businesses to provide assistance to their employees to obtain health coverage. Under the ACA's so-called market reforms, small businesses are discovering that they may be subject to thousands of dollars in taxes simply for helping their employees pay for health insurance.

Farmers, ranchers, and other small businesses frequently do not have the resources to offer a traditional group health plans to their employees. However, many still would like to help their employees afford health insurance. They often do this by reimbursing their employees on a pre-tax basis for the cost of health insurance they purchase on the individual market.

Unfortunately, many small businesses have been caught off guard by an IRS notice issued in September of 2013 that essentially makes it illegal for small businesses to pay the health insurance premiums of their employees. As a result, small businesses that have no obligation to offer insurance in the first place could be subject to as much as \$100 per day per employee penalty for helping their employee purchase health insurance on the individual market.

I have had a number of farmers, small business owners, and accountants reach out to me explaining how this has the potential to be devastating to small businesses and impose hardships on their employees. Just as an example, I want to read excerpts from a couple emails I have received from Iowans. The first is from a constituent who is a dentist in Sioux City, IA:

"Help! ... I am a small business owner -- 7 employees. I have been helping to subsidize my employee's health insurance for 20 years. I just found out that the Market Reforms of the ACA have made that illegal..... Now all of my employees will have to pay taxes on the money I gave them for Health Insurance. They all live paycheck to paycheck and won't be able to come up with the taxes on this money. They also most likely won't qualify for the exchanges and any government subsidy. They are caught in the middle. I can't subsidize their Health Insurance because I risk a \$100/day/employee penalty.... Please hurry and do something to help the millions of middle class small business employees who are caught between a rock and a hard place."

This next one is from an accountant in Zwingle, IA:

“I recently completed two classes for CPE credit for my CPA license. These classes covered the Affordable Care Act and the presenters were adamant that we contact our senators and representatives on behalf of small businesses. I do have a client that this affects that could potentially be put out of business.

Businesses that have section 105 plans or that provide additional salary to employees for the employees to purchase health insurance privately or through the government marketplace can be fined \$100 per day per employee. That is \$36,500 per employee per year! ... Either this portion of the law needs to be repealed or legislation enacted to stop the penalty on small businesses (the ones that create the jobs), or the entire Affordable Health Care Act needs to be repealed.

I'm trying to help my client to figure out how to stop the payments to the employees and not be destroyed by the potential fines. This could be absolutely devastating.”

I am not going to request a vote on my Amendment at this time. But, I hope to work with you, Mr. Chairman, to address this issue in the near future. If this problem is not addressed, many small businesses may find out they need to shut their doors because they have been blindsided by thousands of dollars in penalties simply for helping their employees afford health insurance.

Senate Finance Committee
Open Executive Session to Consider H.R. 22, The Hire More Heroes Act of 2015
January 28, 2015
Senator Rob Portman
Statement for the Record

Mr. Chairman, I filed an amendment that adds the long-term unemployed to the Work Opportunity Tax Credit and extends the credit for one year. I understand that this amendment to extend and expand the WOTC is not germane to this bill, so I will offer and withdraw it. However, I did want to raise it at this markup because it does deal with the hiring of veterans among other groups. This is identical to the provision that Senator Cardin and I worked to get added to the EXPIRE Act which was reported out of Committee last Congress.

The Work Opportunity Tax Credit provides a tax credit of between \$1,200 and \$9,600 per employee for hiring and retaining members of vulnerable groups. Currently, the tax credit can be used to hire veterans, TANF, SNAP, and SSI recipients, ex-felons, the disabled, and summer youth employees.

Our amendment would add the long-term unemployed to the list of eligible populations. An employer hiring someone who has exhausted their 26 weeks of regular unemployment benefits would be eligible for a 40 percent credit on the first \$6,000 of wages paid that first year, which comes to a maximum credit of \$2,400 per employee.

Nearly 4 million Americans currently seeking work have been unemployed for at least 6 months. Studies show that people out of work this long are less likely to receive call backs from prospective employers than others. Too often they are considered tainted, even if the long-term unemployment is through no fault of their own.

Long-term joblessness is extraordinarily stressful for families, as savings run down, mortgages are foreclosed upon, and unemployment benefits are exhausted. Yet CBO tells us that long-term joblessness also leads to loss in skills that will reduce our long-term economic growth rate. And one-third of the long-term unemployed give up looking a year later, because they believe it's impossible to find a job. These are the kind of people the Work Opportunity Tax Credit should be helping.

I'm also pleased to support the bipartisan Brown/Portman amendment on the Health Coverage Tax Credit.

As you may know, the HCTC helps make healthcare affordable for those receiving Trade Adjustment Assistance benefits or for 55-64 year old Americans whose pensions were terminated and are being administered by the Pension Benefit Guarantee Corp. (as a bridge

to Medicare). The HCTC has support from both sides of the aisle in both chambers. Senator Brown and I led a joint letter supporting the HCTC last year, which was signed by 6 members of this Committee.

This credit is particularly important to the 20,000 Delphi Salaried Retirees who lost their healthcare and lost up to 70% of their pensions in the GM Bankruptcy. In this case, the government picked winners and losers in the auto bailout. While other (unionized) employees at Delphi received their full pensions and healthcare, these salaried employees lost nearly everything. This credit which helps pay a portion of their health bills is the least that we can do while they fund their own legal defense against a government that stole their financial security.

In Ohio, there are 5,000 Delphi salaried retirees in Dayton, Youngstown/Warren, Sandusky and throughout the state. After working 20-30 years and enjoying a middle class life, they've lost nearly everything and their families are struggling. This credit is also important to thousands of retired United Steelworkers across the country, including 1,000 retirees from Geneva Steel in Provo, Utah.

As you know, we added an HCTC extension into the Senate Tax Extenders package last year, and were disappointed it wasn't included in the final package. And thus, I'm hopeful that we'll pass this amendment today. Mr. Chairman, I hope you'll work with us to extend the HCTC with the Trade Adjustment Assistance package this spring since HCTC has historically ridden with TAA.

SENATOR DEAN HELLER – STATEMENT FOR THE RECORD

**SENATE FINANCE COMMITTEE MARKUP OF
THE HIRE MORE HEROES ACT, H.R. 22**

JANUARY 28, 2015 – 11:00 AM

I would like to begin by thanking Chairman Hatch and Ranking Member Wyden for bringing this important, bipartisan legislation forward for consideration by the Senate Committee on Finance.

Our top priority in Congress should be to create policies that encourage employers to grow their businesses and hire new workers. This legislation before us today does that.

Removing burdensome federal regulations in order to promote job creation and economic growth is a critical step in improving our economic recovery.

But the Hire More Heroes Act also appropriately recognizes the service and sacrifice of our nation's veterans who have bravely defended our freedoms, and helps connect veterans with new employment opportunities. That is why I am a proud cosponsor of this bill.

This bill is a simple concept to roll back the President's burdensome health care law in order to provide opportunities for veterans who seek employment back home.

As a member of the Veterans Affairs Committee as well, honoring our promise to our nation's veterans has long been one of my highest priorities.

Nevada is home to more than 300,000 veterans who deserve our gratitude for their service to our country.

Nevada veterans have faced an especially tough situation over the past several years, including a high statewide unemployment rate, housing market, and even serious challenges receiving the benefits and services they have earned and deserve.

Our state has made improvements to boost Nevada's economy and create better employment opportunities for all Nevadans, veterans included.

However, that doesn't mean our efforts should stop there, and there's more work to be done, given federal regulations that limit our potential for growth. I have heard from many Nevada employers who have expressed their concerns with the burdens of ObamaCare, especially the employer mandate.

Instead of encouraging job growth, the health care law establishes significant financial penalties that prevent small businesses from expanding and hiring new workers. At a time when we should be encouraging pro-growth policies, the President's health care law does the exact opposite.

Businesses shouldn't face financial penalties for hiring veterans who already have health coverage through TRICARE or the Veterans Administration.

The Hire More Heroes Act is a small but important step in relieving unnecessary regulatory burdens on employers, especially those who want to hire veterans, and I am hopeful for the swift passage of this legislation.

Again, I thank both Chairman Hatch and Ranking Member Wyden for prioritizing legislation that will promote job growth and honor our commitment to the heroes who have faithfully served our nation and defended freedom in America.

Senator Maria Cantwell
U.S. Senate Committee on Finance
Executive Session to Consider “The Hire Mores Heroes Act of 2015”
Wednesday, January 28, 2015

Statement for the Record

I thank the Chairman for taking up legislation intended to encourage the hiring of veterans. However, the evidence suggests that the bill before us today would do little to achieve this goal. For example, neither the Congressional Budget Office nor the Joint Committee on Taxation have found that the bill would have a measurable impact on veterans’ employment or their health coverage.

While I am pleased that we are considering a bill with broad bipartisan support, moving forward I hope this Committee can advance more meaningful and lasting legislative solutions toward helping our veterans. We should work on strengthening the Work Opportunity Tax Credit for veterans, which was included in last year’s EXPIRE Act. In the Pacific Northwest, our aerospace industry will need 50,000 new workers over the next several years. Connecting veterans with the skills and training to fill those jobs would be very important for both veterans and employers.

Statement of Sen. Thomas Carper
Senate Committee on Finance Business Meeting
to consider H.R. 22, "The Hire More Heroes Act of 2015"
Wednesday, January 28, 2015

Thank you Mr. Chairman.

I am pleased the Finance Committee has convened today to consider bipartisan legislation regarding the employment of our nation's veterans; and to have the opportunity to raise some other important issues, within this committee's jurisdiction, that I believe need to be addressed.

As we build the Committee's agenda for this Congress, I want to shine some much-needed light on two areas in which my colleagues in Congress and I can work together in the spirit of bipartisanship, and make positive change in the lives of thousands of our nation's most vulnerable citizens.

My first proposal addresses a mostly unseen vulnerability in Medicaid and the foster care system. Many foster children show symptoms of emotional trauma, abuse, or neglect. Our past work with the Government Accountability Office found that many times, those foster children were prescribed improper levels of mind-altering medications, at too young an age, often contrary to established medical best practices. Not only are these drugs very expensive to the taxpayers, but they can have serious side effects and often are unable to fully resolve the mental health trauma facing these children, particularly when prescribed inappropriately. It is critical that we understand and treat these underlying problems affecting these children first, through qualitative care, and not simply through medication.

My proposal today would require the Department of Health and Human Services to issue guidance to the states and clarify the kinds of alternative treatments available through Medicaid. It would also encourage states to offer coverage for qualitative treatments that evidence has shown are effective in treating the emotional needs of children in the foster care system.

My second proposal represents a bipartisan set of initiatives that would bolster the integrity of our Medicare and Medicaid programs by taking common-sense steps to prevent improper payments and fraud. The amendment is based on the bipartisan Preventing and Reducing Improper Medicare and Medicaid Expenditures (PRIME) Act. By cracking down on vulnerabilities that put tax dollars at risk to waste, fraud and abuse, this measure would ensure that Medicare and Medicaid remain sustainable for years to come, and continue to provide quality care and services on which so many Americans depend.

I look forward to working with you to accomplish both of these important initiatives.