



# October Mayor's Report Part II - Tom Hoechst Common Sense Ways to Restore Jobs

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I concluded my previous report by stating that the United States Conference of Mayors (USCM) has presented a jobs bill to the White House. This report details the proposal of the USCM.

The USCM is the official, non-partisan organization representing approximately one thousand two hundred (1200) cities with populations of thirty-thousand (30,000) or more across the country. Membership gives municipal leaders a unified front in getting their voice and agenda to Washington, D.C. Member municipalities are urging the federal government to invest in metro communities and come together on common sense solutions that are bi-partisan, practical, and actionable. There are fourteen million (14,000,000) Americans out of work and it is time for our leaders to stop playing politics and create jobs.

The USCM has presented Congress and the White House with a four (4) step approach to reviving the economy. The recommendations included in the proposal are too extensive to mention completely here, but, if Congress and the President would enact a small selection of this proposal, America's jobless would have more employment opportunities.

**1. Investment in Infrastructure Jobs** –Washington must pass a fully-funded, transportation bill. The American Society of Engineers recently gave our country's infrastructure a "D" rating. There have been at least two (2) bi-partisan transportation bills which would create up to two point eight million (2,800,000) jobs. The average U.S. public school building is over forty (40) years old. The back log of deferred

maintenance on these buildings stands between Two Hundred Seventy (\$270) and Five Hundred (\$500) Billion Dollars. A national program to address this back log could create thousands of jobs for construction workers, while generating new savings through energy conservation.

**2. Immediate Relief to Employers and Workers** – Extend the payroll tax cut at four point two percent (4.2 %) which provides the average family an extra One Thousand Dollars (\$1000) to spend this year. Congress should also implement a payroll tax cut for new hires. Tax incentives should be created for companies that hire veterans. Those who joined the military after the September 11<sup>th</sup> attacks and have returned home have a thirteen point three percent (13.3 %) unemployment rate. Businesses hiring veterans would receive Four Thousand Eight Hundred Dollars (\$4,800) for long term hires with additional credits for disabled veterans. Employers should be allowed to use Unemployment Insurance to hire workers and repeal the three percent (3%) withholding rule which is a burden contractors, manufactures, farmers, medical providers, and others providing services under government contracts.

**3. A New Manufacturing Loan Program** – To be eligible for these loans, businesses would have to demonstrate job creation in the U.S., are in competition with foreign companies receiving subsidies, and will have a positive impact on the trade balance. Small businesses employ over half of all private sector employees and pay forty-four percent (44%) of total U.S. private payroll.

**4. Smart Investments in Key Domestic Priorities** – Community Development Block Grant (CDBG) funds must be saved. In 2010, a Three Point Nine Billion Dollar (\$3,900,000,000) investment generated one hundred twenty thousand (120,000) jobs and contributed to Ten Point Seven Billion Dollars (\$10,700,000,000) in Gross Domestic Product. The COPS Grant program needs to be expanded. Among those that have applied for COPS Grants, eleven point six percent (11.6%) laid off sworn officers, up from five point six five percent (5.65 %) last year due to reduced local revenues. Visa reform is needed. In 2010, the U.S. welcomed almost the same amount of travelers as it did in 2000. The rest of the world's travel markets grew by more than sixty (60) million annually. This increase would create one point three million (1,300,000) jobs and have a financial impact which could inject over Eight Hundred Fifty Nine Billion Dollars (\$859,000,000,000) into our economy.

These are but a few of “A Common Sense Job Agenda” options sent to Congress and the White House. The big question many will be asking is “How do you pay for this while reducing the deficit?” This could be accomplished by closing corporate loopholes, simplify the tax code, repatriating offshore corporate profits, establishing more equitable tax rates, reallocation of the war spending, and maintaining smart investments in key domestic priorities. Given the current fiscal crisis, initiatives to

create jobs must move forward hand-in-hand with efforts to reduce long-term federal budgets deficits.

These ideas and proposals are not from the right or the left, but from Mayors who are experiencing the day-to-day tragedies of seeing their cities decline, public safety eroding, infrastructure crumbling, funding for education dwindling, homelessness and foreclosures increasing, and a daily sense of despair from many people. This is not the America I believe we want. The pride of earning and an opportunity to provide for a family, a safe environment to live, and a quality education are quite satisfying to most of us. To achieve this we must have **JOBS-JOBS-JOBS**.