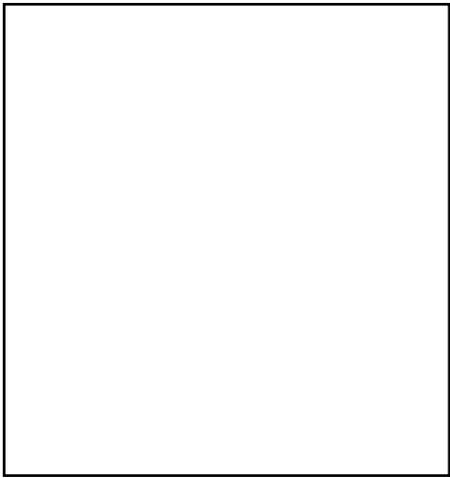


congressman

PETE  
STARK

13th District  
107th Congress

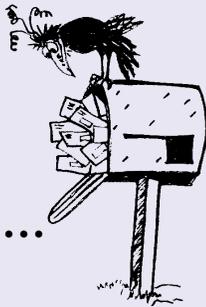
UPDATE



WASHINGTON, D.C.

SEPTEMBER 2001

from  
the  
mailbag ...



Dear Pete,

Our nation's response to the national and global AIDS epidemic must be strong and comprehensive.

Rita, Hayward

Dear Rita,

I'm with you and I'll vote to fund it.

Dear Pete,

Protect my drinking water by setting a safe standard for arsenic.

Erin, Fremont

Dear Erin,

I voted to do just that. Now the issue moves to the Senate.

Dear Pete,

Modernize Medicare to include prescription drugs.

Willa, Oakland

Dear Willa,

I support prescription drug coverage by Medicare (see story on page 4).

Dear Pete,

I don't want another penny of my taxes wasted on Star Wars.

Ardas, Milpitas

Dear Ardas,

Neither do I and I'll oppose Star Wars funding.

## Budget Alert: We Are Close to Red Ink Again

New budget numbers validate the concerns I shared along with many other Democrats that the tax cut was too big, spent money we didn't have yet, and would put Social Security and Medicare solvency at risk. The budget surplus—projected at \$125 billion prior to the \$1.7 trillion tax cut—has shrunk to just \$1 billion.

Although the GOP congressional leaders and the President assured the public that we could afford the sizable tax cut without dipping into Medicare and Social Security trust funds, guess what is about to happen now? They need to dip into those trust funds to balance the budget this year. And there is no room left in the budget for a prescription drug benefit, new investment in our schools, and other priorities that most Americans share.

The size of the tax cut was determined based on a projected budget surplus that never materialized. The economy slowed reducing government revenues and the administration couldn't find a way to

*Continued on page 3.*

---

*... the tax cut was too big, spent money we didn't have yet, and would put Social Security and Medicare solvency at risk*

---

## House Likely to Debate Wage Increase Bill Soon

**Stark Supports Increase to Federal Minimum Wage**

While many believe that job creation will raise the standard of living for workers, I believe that it takes more than providing jobs to help reduce poverty levels. Jobs must pay wages that allow workers to earn a decent living. Although California has been a leader in providing a higher minimum wage level (\$6.25 an hour) and many of our local communities have passed living wage requirements, the federal wage standard continues to fall short. We must increase the federal minimum wage to improve the standard of living for millions of American workers.



Two-thirds of all minimum wage workers are adults. A worker who works full-time at the current federal minimum wage rate of \$5.25 per

*Continued on page 2.*



## ***Stark Says Global Warming Requires a Global Solution***

Global warming is a serious problem that world leaders are now addressing. Unfortunately, President Bush has refused to support other world leaders now working on a solution. As a result, he has united our allies against us on what should be a common goal.

The burning of the fossil fuels to run cars and trucks, heat homes, and power factories has led to a dramatic increase in global warming. The leading nations of the world met in Japan in 1997 to create a global solution. After much debate, the conference produced an agreement known as the "Kyoto Protocol." The US signed this historic treaty that requires all treaty signatories to reduce their nation's emissions of CO<sub>2</sub>.

Once in office, however, President Bush withdrew US support for the Kyoto treaty. In his trips to Europe, the President suggested we can find a better (but as yet unstated) way to address the global warming crisis. Leaders of many nations, including Great Britain, France and Germany, have repeatedly urged the US not to abandon this important environmental treaty. But the Administration has rebuffed their pleas, forcing our allies to live by the Kyoto treaty without US compliance.

I believe that the President's decision to abandon the global warming treaty was wrong and I fear that it will severely harm both our standing with our allies and the environment for years to come.

### **Problems With Your Managed Care Provider?**

The State of California has created a hotline for consumers with managed care problems. Keep this number in a handy place if you need assistance or want to report a problem you have with your managed care provider.

**1-888-HMO-2219**

### **Minimum Wage Debate**

**continued from page 1.**

hour earns \$10,712 annually. To put this in perspective, the poverty threshold for a family of four is \$17,650. Today's full-time minimum wage worker does not even earn enough to keep a two-person family above the poverty line of \$11,610. And the poverty threshold, a traditional indicator to measure the amount of income required for a hypothetical family's basic needs, may underestimate the real needs of most families.

Since the 1970s, the minimum wage has lost more than a third (37%) of its real value. To restore the purchasing power that

the minimum wage had 33 years ago, today's minimum wage would have to be increased to \$8.14 an hour.

I have cosponsored a bill to raise the minimum wage to \$5.75 immediately with further increases to \$6.25 in 2002 and \$6.65 in 2003. While I would prefer to see a larger increase, I do not believe that there are

---

*To restore the purchasing power that the minimum wage had 33 years ago, today's minimum wage would have to be increased to \$8.14 an hour.*

---

the votes to pass it. The House is likely to consider the bill this fall and I will keep you informed about the outcome of that debate. For further information on this bill and many other federal issues, please visit my web site at [www.house.gov/stark](http://www.house.gov/stark)



## Stark Introduces Bill to Help Reduce Child Poverty

Recently, I introduced the Child Poverty Reduction Act. Senator Charles Schumer (NY-D) has introduced a companion bill in the Senate. The bill would make reducing child poverty an explicit goal of welfare law and create a financial incentive for states that reduce child poverty.

Too much emphasis has been placed on reducing welfare rolls rather than reducing poverty. This has made the 1996 welfare reform law successful at reducing caseloads, but not successful at reducing the poverty rate. As a result, almost one in six children (12 million) continue to live in poverty during one of the most robust economies in this nation's history.

We need to create welfare laws that lift children and families out of poverty. The current laws do not achieve this goal. Studies

show that poverty has harmful effects on children's cognitive ability and school performance. Poverty is also linked to early sexual activity and pregnancy, crime and incarceration, and unemployment.

---

*We must reduce poverty, not simply reduce assistance for those in poverty.*

---

We must reduce poverty, not simply reduce assistance for those in poverty. To encourage

states to use funds to improve the well-being of children, my bill would make reducing child poverty an explicit goal of the welfare law and create a \$150 million

high performance bonus grant to states that reduce child poverty.

Almost five million children live in extreme poverty with families' incomes at less than 50% of poverty. My bill attempts to help those especially needy children by rewarding states that reduce poverty for children at all levels of need.

Children have no choice as to whether they are poor and on welfare; we must have a safety net in place for them. I hope that my bill will spur a change in welfare laws so that innocent children will not bear the brunt of ill-conceived policies.

---

### **Budget Alert** *continued from page 1.*

"jump start" the economy. The tax bill shrunk the surplus by another \$78 billion this year. While some will claim that it was not the tax cut but bloated government spending that depleted the surplus, other government spending was barely over the rate of inflation. Thus, its impact on the

dwindling surplus was minimal.

The President assured us that he wasn't using "fuzzy math" when he claimed we could have a tax cut and protect Medicare and Social Security. He was wrong and now we all will pay the price for his mistake.



---

## Campaign Finance Reform Bill Delayed in the House

---

*We need campaign finance reform to ensure that campaign financing is fully regulated, all donations are reported, and politicians are not beholden to large corporations or wealthy donors funneling contributions through the political parties.*

---

When the Senate passed the McCain-Feingold Bipartisan Campaign Finance Reform Act this past April, I was hopeful that the time to pass true campaign finance reform had arrived. After promising a fair vote on campaign finance reform, the House leadership used a procedural maneuver in July to derail the bill. Consequently, the efforts to pass campaign finance reform have been temporarily stymied.

The McCain-Feingold campaign finance bill and its House companion known as Shays-Meehan would make dramatic, positive changes to our nation's campaign finance laws. The legislation would ban "soft money," the unlimited and unregulated donations to political parties. We need reform to ensure that campaign financing is fully regulated, all donations are reported, and politicians are not beholden to large corporations or wealthy donors funneling contributions through the political parties.

I am disappointed by this delay and am hopeful that reform will ultimately prevail. With my colleagues, I will push to bring campaign finance reform back to the House floor this fall for full consideration.



## Want Relief from High Drug Costs? This Drug Plan Won't Help

Recently, President Bush announced a prescription drug discount card initiative that he said would immediately address the problems seniors face with high prescription drug coverage. Unfortunately, this prescription drug initiative contains nothing new, nor will it expand discounts to seniors.

Prescription drug discount cards are readily available today through organizations like AARP and Reader's Digest. Some Medigap policies provide them as a free or minimal cost service. In fact, California already has a state-based drug discount card program that enables every Medicare beneficiary to get the MediCal price on any prescription drug they purchase at par-

ticipating pharmacies. Discounts are often not significant and can vary dramatically based on the particular medication needed. A card might offer a decent discount for one of your medications, but have no benefit for others you may require.

The Bush administration proposes giving pharmaceutical companies the Medicare "seal of approval" to help them market cards to seniors. The Administration proposal contains no requirements that these cards actually offer the discounts they advertise even though a number of states have taken action against card companies that advertised greater discounts than they actually provided. Furthermore, the administration's proposal does

not call for any new spending by Medicare to assist seniors with their drug cost and even limits seniors to owning no more than one of these new Medicare discount cards, which would reduce discounts some seniors get now.

This drug discount card proposal diverts attention from the real need of our seniors—a prescription drug benefit in Medicare. Medication has become as integral a part of medical treatment as a doctor's visit or surgery—and it's time that Medicare covered it.

I believe we should help the forty million Medicare beneficiaries with drug costs and have introduced a bill that provides drug coverage as a Medicare benefit.



## PETE'S TOWN MEETINGS Saturday, September 29, 2001

### FREMONT

9:00 - 10:00 am

City Council Chambers  
39700 Civic Center Dr.

*Doors open 10 minutes before meetings start.*

### HAYWARD

10:30 - 11:30 am

City Council Chambers  
777 B Street

### SAN LEANDRO

Noon - 1:00 pm

Bancroft Middle School  
Gym  
1150 Bancroft

### How to reach **PETE STARK**

WASHINGTON OFFICE  
239 Cannon House Office Bldg.  
Washington, D.C. 20515  
(202) 225-5065

DISTRICT OFFICE  
39300 Civic Center Dr., #220  
Fremont, CA 94538

Union City South (510) 494-1388  
Hayward North (510) 247-1388  
Internet mail address:  
petemaildirect@stark.house.gov  
Web site address:  
<http://www.house.gov/stark/>

### TIME VALUE