



BARACK OBAMA: LEADERSHIP FOR PENNSYLVANIA

Provide a Tax Cut for Working Families: Barack Obama will restore fairness to the tax code and provide 150 million American workers the tax relief they deserve. Obama will create a new “Making Work Pay” tax cut of up to \$500 per person, or \$1,000 per working family. 6.5 million Pennsylvanians will receive the “Making Work Pay” tax credit. This refundable income tax cut will provide direct relief to American families who face the regressive payroll tax system. It will offset the payroll tax on the first \$8,100 of their earnings while still preserving the important principle of a dedicated revenue source for Social Security. The “Making Work Pay” tax cut will completely eliminate income taxes for 10 million Americans. The tax cut will also provide relief to self-employed small business owners who struggle to pay both the employee and employer portion of the payroll tax. The “Making Work Pay” tax cut offsets some of this self-employment tax as well.

Address the National Housing Crisis: The implosion of the subprime lending industry threatens to bring foreclosure to over two million households, including many families with children. The Joint Economic Committee (JEC) estimates Pennsylvania subprime foreclosures will total 45,470 between third quarter 2007 and the end of 2009. Obama strongly supports the efforts of Senate Banking Committee Chair Chris Dodd (D-CT) to create a new Federal Housing Administration (FHA) program that will provide meaningful incentives for lenders to buy or refinance existing mortgages and convert them into stable 30-year fixed mortgages. This plan will provide a federal guarantee for lenders to reduce the outstanding principal amount of loans that are currently unaffordable in order to enable new, affordable mortgages for homeowners. Barack Obama will also create a Foreclosure Prevention Fund to provide comprehensive supports to innocent homeowners. The fund will be partially paid for by Obama’s increased penalties on lenders who acted irresponsibly and committed fraud.

Support Job Creation: In Pennsylvania, only 97,900 new jobs have been created in the past 7 years. In particular, the manufacturing sector has been hit hard by the economy under the current Administration, with payrolls declining by 208,700 in Pennsylvania. Barack Obama believes we need to expand federal funding for basic research, expand the deployment of broadband technology, and make the research and development tax credit permanent so that businesses can invest in innovation and create high-paying, secure jobs. He will make long-term investments in education, training, and workforce development so that Americans can leverage our strengths – our ingenuity and entrepreneurialism – to create new high-wage jobs and prosper in a world economy.

Invest in U.S. Manufacturing: Barack Obama will work to bring additional high-skilled manufacturing jobs to regions across the United States where workers and communities have specialized knowledge from decades of manufacturing experience. Obama has introduced a comprehensive energy independence and climate change plan that will not only help strengthen America’s energy security and tackle global climate change, but it will also make strategic investments in American workers and American businesses to create millions of new good-paying jobs that can’t be outsourced. The Obama plan will invest in America’s highly-skilled manufacturing workforce and manufacturing centers to ensure that American workers have the skills and tools they need to

pioneer the first wave of green technologies that will be in high demand throughout the world. Obama will also provide specific tax assistance and loan guarantees to the domestic auto industry to ensure that new fuel-efficient cars and trucks are built in the U.S. with American workers.

Support Clean Coal: Pennsylvania produced 66.0 million short tons of coal in 2006 and is home of the Bailey Mine, the largest underground coal mine in the United States. As a senator from a coal-producing state, Barack Obama understands its importance to our energy security. As president, Obama will significantly increase the resources devoted to the commercialization and deployment of clean coal technologies. Implementing these technologies as soon as possible is vital to the transition to a clean energy economy and will help other nations dependent on coal reduce their emissions as well. In addition to addressing new facilities, Obama will work to ensure that existing coal facilities are retrofitted with carbon capture and sequestration technology as soon as it is commercially available.

Promote Mine Safety: Coal mining is among the most dangerous professions in the United States. As president, Obama will work to ensure that mine companies stockpile more supplies in the mine, providing better tracking devices for miners, and better monitoring of gas and smoke in mines. He will provide more training for rescue teams, ensuring that rescue teams can be deployed quickly. Obama will also call for more inspectors and tougher penalties for operators who run afoul of the law. Obama will ensure the person he appoints to head the federal agency that oversees mine safety has a proven commitment to safeguarding the interests of miners. But we need to protect miners, not only from accidents, but also from coal dust that leads to black lung. Each year, 1,000 people die from black lung, far more than the number that die in mine accidents. Obama will strengthen dust control requirements and make sure that mine operators are complying with these requirements.

Strengthen the Steel Industry and Fight for Fair Trade: The American steel industry has been struggling since the late 1990s. Steelmaking is an energy intensive process and is susceptible to high energy prices. Competition from other countries also has had a huge effect. China's steel production is now greater than the output of the United States, Europe and Japan combined. Barack Obama will fight for a trade policy that opens up foreign markets to support good American jobs. He will pressure the World Trade Organization to enforce trade agreements and stop countries from continuing unfair government subsidies to foreign exporters and nontariff barriers on U.S. exports. He will fight for stronger protections for U.S. companies against dumping, and – in the case of China in particular – an end to an artificially devalued currency that puts U.S. steel companies at a perpetual disadvantage.

Amend the North American Free Trade Agreement: Barack Obama will work with the leaders of Canada and Mexico to fix NAFTA so that it works for American workers. Obama believes that NAFTA and its potential were oversold to the American people. It has not created the jobs and wealth that were promised. He believes that we can, and must, make trade work for American workers by opening up foreign markets to U.S. goods and maintaining strong labor and environmental standards. As president he will work to amend NAFTA so that it lives up to those important principles.

Raise the Minimum Wage: 1.4 million Pennsylvanian residents lived in poverty in 2005-2006, with 17 percent of Pennsylvania's children living below the poverty line. Barack Obama believes that people who work full time should not live in poverty. Before the Democrats took back Congress, the minimum wage had not changed in 10 years. Even though the minimum wage will rise to \$7.25 an hour by 2009, the minimum wage's real purchasing power will still be below what it was in 1968. As president, Obama will further raise the minimum wage to \$9.50 an hour by 2011, index it to inflation and increase the Earned Income Tax Credit to make sure that full-time workers can earn a living wage that allows them to raise their families and pay for basic needs such as food, transportation, and housing – things so many people take for granted.

Infrastructure: In Pennsylvania, some 6,000 bridges are structurally deficient and more than 8,500 miles of roads are in disrepair in addition to problems with sewer pipes, water lines and train stations. Barack Obama will address the infrastructure challenge by creating a National Infrastructure Reinvestment Bank to expand and enhance, not supplant, existing federal transportation investments. This independent entity will be directed to invest in our nation's most challenging transportation infrastructure needs. The Bank will receive an infusion of federal money, \$60 billion over 10 years, to provide financing to transportation infrastructure projects across the nation. These projects will create up to two million new direct and indirect jobs per year and stimulate approximately \$35 billion per year in new economic activity.

Health Care: More than 1.2 million people in Pennsylvania, including 7.4 percent of children in Pennsylvania, lacked health insurance over the last two years. Obama will sign a universal health care bill into law by the end of his first term that provides affordable, portable and accessible high-quality coverage to everyone. His plan will save a typical American family up to \$2,500 every year on medical expenditures by providing affordable, comprehensive and portable health coverage for every American; modernizing the U.S. health care system to contain spiraling health care costs and improve the quality of patient care; and promoting prevention and strengthening public health to prevent disease and protect against natural and man-made disasters.

Protect Social Security: By 2020, 18.8 percent of Pennsylvanians will be over 65, representing an increase of half a million seniors since the 2000 census. Social Security has been one of the most successful government programs in our nation's history. Obama will be honest with the American people about the long-term solvency of Social Security and the ways we can address the shortfall. Obama will protect Social Security benefits for current and future beneficiaries alike. And he does not believe it is necessary or fair to hardworking seniors to raise the retirement age. Obama is strongly opposed to privatizing Social Security. Obama believes that the first place to look for ways to strengthen Social Security is the payroll tax system. Currently, the Social Security payroll tax applies to only the first \$97,500 a worker makes. Obama has consistently said that we may want to include a "donut hole" to ensure that lifting the payroll tax cap does not ensnare any middle class Americans. Obama he will work with Congress and the American people to choose a payroll tax reform package that will keep Social Security solvent for at least the next half century.

Secure Pensions: Barack Obama would insist that companies keep the promises they made to their employees. Obama will protect pensions by putting promises to workers higher on the list of debts that companies cannot shed; ensuring that the bankruptcy courts do not demand more sacrifice from workers than executives; telling companies that they cannot issue executive bonuses while cutting worker pensions; increasing the amount of unpaid wages and benefits workers can claim in court; and limiting the circumstances under which retiree benefits can be reduced. Obama will ensure that all employees who have company pensions receive detailed annual disclosures about their pension fund's investments to provide workers and retirees important resources to make their pension fund more secure.

Eliminate Income Taxes for Seniors Making Less Than \$50,000: Lower and middle income seniors are struggling as their expenses on health and energy skyrocket while their incomes do not keep pace. Barack Obama will eliminate all income taxation of seniors making less than \$50,000 per year. This will eliminate any income tax for nearly 7 million seniors, including over 430,000 Pennsylvania seniors, at a savings of roughly \$1,400 each year. For many seniors, this will eliminate the need to hire a tax preparer, resulting in even larger savings.

Iraq: In 2002, Obama had the judgment and the courage to oppose the war in Iraq, saying it would lead to "an occupation of undetermined length, with undetermined costs and undetermined consequences." Since then more than 184 Pennsylvanians have given the last full measure of devotion to their country in Iraq. Today, Obama has a plan to immediately begin pulling out troops engaged in combat operations at a pace of one or two

brigades every month, to be completed in 16 months. He would call for a new constitutional convention in Iraq, convened with the United Nations, which would not adjourn until Iraq's leaders reach a new accord on reconciliation. He would use presidential leadership to surge our diplomacy with all of the nations of the region on behalf of a new regional security compact. And he would take immediate steps to confront the humanitarian disaster in Iraq.

Care for America's Veterans: There are 1.1 million veterans in Pennsylvania, and the Department of Veterans Affairs that was built to care for World War II veterans is not ready to handle the influx of veterans from Iraq and Afghanistan. In an Obama administration, the VA will provide benefits and care that will be accessible, high-quality, reliable, responsive and fair, year after year. He will care for our wounded soldiers; improve the transition to civilian life; fully fund VA medical care; improve the quality of VA health care; fix the Veterans Benefits Administration; honor veterans with the benefits and services they have earned, and rebuild and repair the military.

Early Education: Obama will launch a Children's First Agenda that provides care, learning and support to families with children ages zero to five. Obama will provide funding for states to create or expand high-quality early care and education programs for pregnant women and children. Obama will also quadruple the number of infants and toddlers participating in Early Head Start, provide funding for states to adopt voluntary, universal pre-school and create a Presidential Early Learning Council to increase collaboration between federal, state and local early education initiatives.

K-12 Education: While the goal of the No Child Left Behind Act is the right one – ensuring that all children can meet high standards – the law has significant flaws that need to be addressed. Obama will reform and fund No Child Left Behind. He will also increase teacher salaries to better reflect the important work that educators do, and he believes that teachers who take on additional opportunities, such as mentoring and helping students succeed, deserve an increase in salary.

College Aid: College tuition for Pennsylvania's four-year public colleges has increased 32.5 percent since 1999. Barack Obama will make college affordable for all Americans by creating a new American Opportunity Tax Credit. This fully refundable credit will ensure that the first \$4,000 of a college education is completely free for most Americans, and will cover two-thirds the cost of tuition at the average public college or university. Recipients of this credit will be required to conduct 100 hours of public service a year, either during the school year or over the summer months. Obama also will work to increase the maximum Pell Grant for low-income students.

Ethics Reform and Open Government: Throughout his political career, Barack Obama has been a leader in the fight for open and honest government, and he believes we need to restore the voice of the people in government and put an end to the power of special interests and lobbyists. In January 2007, Senators Obama and Russ Feingold (D-WI) set the bar for real reform by taking on both parties and proposing ethics legislation that became the most sweeping since Watergate. They pushed a series of amendments that are now law, most significantly those that ended subsidized corporate jet travel, mandated disclosure of the lobbyist bundling of contributions and enacted new strong restrictions of lobbyist sponsored trips. Senate Majority Leader Harry Reid (D-NV) praised Obama for his role in the ethics reform saying, "The face of this early on was Barack Obama. I selected him to be the person that would go forward on this in a public way. And he did a great job." As president, Barack Obama will create the most transparent White House in American history.