

110TH CONGRESS
1ST SESSION

S. 818

To expand the middle class, reduce the gap between the rich and the poor, keep our promises to veterans, lower the poverty rate, and reduce the Federal deficit by repealing tax breaks for the wealthiest one percent and eliminating unnecessary Cold War era defense spending, and for other purposes.

IN THE SENATE OF THE UNITED STATES

MARCH 8, 2007

Mr. SANDERS introduced the following bill; which was read twice and referred to the Committee on Finance

A BILL

To expand the middle class, reduce the gap between the rich and the poor, keep our promises to veterans, lower the poverty rate, and reduce the Federal deficit by repealing tax breaks for the wealthiest one percent and eliminating unnecessary Cold War era defense spending, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “National Priorities Act
5 of 2007”.

1 **SEC. 2. FINDINGS.**

2 The Senate finds the following:

3 (1) The United States has the highest rate of
4 poverty and the highest rate of childhood poverty
5 among 17 major countries in the Organization for
6 Economic Cooperation and Development, including
7 Germany, France, Italy, the United Kingdom, Can-
8 ada, Australia, Austria, Belgium, Denmark, Finland,
9 Ireland, the Netherlands, Norway, Spain, Sweden,
10 and Switzerland.

11 (2) 36,950,000 Americans are living in poverty,
12 an increase of 5,400,000 since 2000.

13 (3) 12,896,000 children in the United States
14 under the age of 18 lived in poverty in 2005, and
15 the number of children living in extreme poverty
16 rose by 87,000 from 2004 to 2005.

17 (4) In 2005, an estimated 33 percent of the
18 homeless population were children and an estimated
19 1,350,000 children will experience homelessness in a
20 year.

21 (5) The number of uninsured Americans rose to
22 46,577,000 in 2005, 1,272,000 more than in the
23 previous year, and the number of Americans without
24 health insurance has risen for 4 consecutive years.

25 (6) The United States Government must pro-
26 vide the funding necessary to ensure that our Na-

1 tion’s veterans receive the health care and other ben-
2 efits they deserve and have earned in a timely fash-
3 ion.

4 (7) Millions of middle class American families
5 are finding it increasingly difficult to afford the es-
6 calating cost of a college education with average tui-
7 tion and other costs increasing by more than \$4,300
8 at 4-year public universities and over \$8,000 at 4-
9 year private colleges since 2001.

10 (8) The Surgeon General of the United States
11 has reported that tooth decay has become the single
12 most common chronic childhood disease—5 times
13 more common than asthma and 7 times more com-
14 mon than hay fever.

15 (9) Surveys have shown that dental problems
16 cause children to miss more than 51,000,000 hours
17 of school and adults to miss more than 164,000,000
18 hours of work each year.

19 (10) In 42 States, child care fees are higher
20 than tuition at a 4-year public university.

21 (11) Seriously investing in renewable energy,
22 energy efficient appliances, public transit, and high
23 speed rail would create millions of decent-paying
24 jobs, reduce our dependence on dirty fossil fuels, and
25 reduce global warming.

1 (12) The Department of Defense’s increasingly
2 large budget provides for total defense spending that
3 is greater than that of the other 192 countries in the
4 world combined.

5 (13) The Government Accountability Office es-
6 timated in 2003 that the Department of Defense
7 could not account for over \$1,000,000,000,000 in
8 funds appropriated to the Department of Defense.

9 (14) The United States has the largest gap be-
10 tween the rich and the poor of any major industri-
11 alized country.

12 (15) The wealthiest 400 Americans saw their
13 combined net worth increase by \$120,000,000,000
14 from 2004 to 2005.

15 (16) The richest 400 Americans have a com-
16 bined net worth of \$1,250,000,000,000 equaling the
17 annual income of over 45 percent of the entire
18 world’s population or 2,500,000,000 people. Of the
19 world’s 793 billionaires, over 400 are Americans. In
20 1989, we only had 66 billionaires in this country.

21 (17) According to a December 2006 report by
22 the Congressional Budget Office, the average after-
23 tax income of the richest 1 percent of households
24 rose from \$722,000 in 2003 to \$868,000 in 2004,
25 after adjusting for inflation, a one-year increase of

1 nearly \$146,000, or 20 percent. This represents the
2 largest increase in 15 years, measured both in per-
3 centage terms and in real dollars.

4 (18) Median household income for working age
5 families has declined for 5 years in a row.

6 (19) During the presidency of George W. Bush,
7 the United States has experienced the 3 largest Fed-
8 eral deficits in history, and the national debt has
9 skyrocketed, attributable in large part to tax breaks
10 to the wealthiest 1 percent.

11 (20) The United States has a moral responsi-
12 bility to expand the middle class, reduce the gap be-
13 tween the rich and the poor, keep our promises to
14 veterans, lower the poverty rate, and reduce the
15 Federal deficit by repealing tax breaks for the
16 wealthiest 1 percent and eliminating waste, fraud,
17 and abuse at the Pentagon.

18 **SEC. 3. REVISION OF 2001-2004 TAX CUTS FOR TOP ONE**
19 **PERCENT OF INCOME EARNERS.**

20 With respect to any individual whose gross income
21 for taxable year 2008 exceeds \$400,000—

22 (1) section 901(a)(1) of the Economic Growth
23 and Tax Relief Reconciliation Act of 2001 (relating
24 to sunset of provisions of Act) shall be applied by
25 substituting “after December 31, 2007, and before

1 January 1, 2009” for “after December 31, 2010”,
2 and

3 (2) section 303 of the Jobs and Growth Tax
4 Relief Reconciliation Act of 2003 (relating to sunset
5 of title) shall be applied by substituting “after De-
6 cember 31, 2007” for “after December 31, 2008”.

7 The Secretary of the Treasury shall provide such forms
8 as necessary to carry out the purposes of this section.

9 **SEC. 4. REDUCTION IN WASTE, FRAUD, AND ABUSE AT THE**
10 **PENTAGON.**

11 Notwithstanding any other provision of law, Federal
12 funding appropriated for the Department of Defense for
13 fiscal year 2008 shall be reduced by \$60,000,000,000. The
14 Secretary of Defense is authorized to make such reduc-
15 tions by eliminating waste, fraud, and abuse, and weapon
16 systems and other programs that are determined not to
17 be a priority for current national security needs since the
18 end of the Cold War. None of these reductions shall be
19 made that harm the basic needs of United States military
20 personnel or their quality of life, including necessary pay
21 increases and health care.

1 **SEC. 5. EXPANSION OF INVESTMENTS FOR MIDDLE CLASS,**
2 **VETERANS, SENIOR CITIZENS ON FIXED IN-**
3 **COME, AND LOW-INCOME FAMILIES WITH**
4 **CHILDREN, AND DEFICIT REDUCTION.**

5 From amounts made available under sections 3 and
6 4, for fiscal year 2008—

7 (1) \$575,000,000 shall be made available for
8 consolidated health centers under section 330 of the
9 Public Health Service Act (42 U.S.C. 254b);

10 (2) \$140,000,000 shall be made available to the
11 Secretary of Health and Human Services for the
12 workforce, capital, and equipment needed to estab-
13 lish or expand oral health services at community
14 health centers and other community-based sites pur-
15 suant to subsequent authorization;

16 (3) \$15,000,000,000 shall be made available to
17 carry out State child health plans under title XXI
18 of the Social Security Act (42 U.S.C. 1397aa et
19 seq.);

20 (4) \$4,000,000,000 shall be made available to
21 the Secretary of Veterans Affairs to ensure that vet-
22 erans receive the health care and other benefits that
23 such veterans were promised without being put on a
24 waiting list pursuant to subsequent authorization;

1 (5) \$2,200,000,000 shall be made available to
2 carry out the Child Care and Development Block
3 Grant Act of 1990 (42 U.S.C. 9858 et seq.);

4 (6) \$7,200,000,000 shall be made available to
5 carry out the Head Start Act (42 U.S.C. 9831 et
6 seq.);

7 (7) \$14,900,000,000 shall be made available to
8 carry out the grant program under part B of the In-
9 dividuals with Disabilities Education Act (20 U.S.C.
10 1400 et seq.);

11 (8) \$16,200,000,000 shall be made available for
12 the Secretary of Education to increase the maximum
13 Pell Grant pursuant to subsequent authorization;

14 (9) \$500,000,000 shall be made available to the
15 Secretary of Education to carry out the Federal
16 TRIO programs and Gaining Early Awareness and
17 Readiness for Undergraduate Program under the
18 Higher Education Act of 1965 (20 U.S.C. 1001 et
19 seq.);

20 (10) \$27,085,000,000 shall be made available
21 to the Secretary of Energy, Secretary of Transpor-
22 tation, and the Administrator of the Environmental
23 Protection Agency for programs to increase energy
24 efficiency and conservation and to increase invest-
25 ment in sustainable and renewable energy alter-

1 natives, public transit, and high speed rail pursuant
2 to subsequent authorization;

3 (11) \$5,000,000,000 shall be made available to
4 the Secretary of Housing and Urban Development to
5 establish a national affordable housing trust fund
6 for the construction, preservation, and rehabilitation
7 of at least 150,000 affordable housing rental units
8 in mixed-income locations in order to create 180,000
9 jobs pursuant to subsequent authorization;

10 (12) \$7,200,000,000 shall be made available to
11 the Secretary of the Treasury to expand the earned
12 income tax credit under section 32 of the Internal
13 Revenue Code of 1986 pursuant to subsequent au-
14 thorization; and

15 (13) \$30,000,000,000 shall be made available
16 to reduce the Federal deficit.

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