



## The National Organization of Portuguese Americans

### Legislative Alert ©

June 15, 2010

As a part of NOPA's mission to empower Portuguese-Americans, this Legislative Alert is sent out every two weeks as pertinent developments occur in order to keep the community informed of legislative action at the national level. This objective, non-partisan report aims to educate those interested about action on Capitol Hill that may affect the Portuguese-American community at large.

If you have any questions about this or other legislation, please contact NOPA's Government Affairs Team at [info@nopa-us.org](mailto:info@nopa-us.org) or 703-389-3512.

### Legislative Update

Congress returned last week from the Memorial Day recess and have a 5-week work period until their next recess for July 4<sup>th</sup> holiday.

The main focus of the Senate since returning has been tax extenders/social safety legislation (H.R. 4213 - American Workers, State, and Business Relief Act of 2010). You can find [legislative text](#), [summaries](#) and Congressional Budget Office [scoring](#) of H.R. 4213 on the Senate Finance Committee website:

<http://finance.senate.gov/legislation/details/?id=1c237e70-5056-a032-52e9-ef5f959b7a76>

Before leaving for the Memorial Day break, the House took a scaled-down version of this package and split it into two portions. They first passed the tax and unemployment benefit extensions portion by a vote of [215-204](#) and then passed the second portion to prevent a cut in Medicare physician payment rates [245-171](#).

The main differences between the Senate and the House versions are provisions that the House removed to extend COBRA benefits and to provide extra aid to states for Medicaid, as well as making adjustments to revenue provision on 'carried interest' and the oil spill liability trust fund.

While the Senate continues to debate the tax extenders/social safety net bill, the House is taking up two bills aimed to help small business this week. The first measure ([H.R. 5486 - Small Business Jobs Tax Relief Act of 2010](#)) is a \$3.6 billion tax relief bill that is comprised mainly of pieces of a package of small-business and infrastructure tax incentives (HR 4849) that the House passed in March.

The other legislation ([H.R. 5297 - Small Business Lending Fund Act of 2010](#)) would authorize \$30 billion for the creation of a fund to encourage community banks to lend



to small businesses. The final legislation of both these bills will soon be posted on the House Rules Committee website: <http://www.rules.house.gov/>

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## **Congressional Legislation of Interest**

### **\* Recently Introduced \***

**May 25th**

By Mr. CARDOZA (for himself and Mr. COSTA):

H. Res. 1393. A resolution welcoming the Portuguese ship Sagres to the United States; to the Committee on Foreign Affairs.

## **Legislation of Interest - Portugal**

### **Portuguese Cabinet Approves Tax Hikes; Clarifies Income Tax Withholding Provision**

Posted May 21, 2010, 3:40 P.M. ET

The Portuguese government May 20 gave preliminary approval to a bill raising income, corporate, and value-added taxes, and May 21 published a clarification regarding public confusion over income tax withholding after June 1, 2010.

The proposed law will apply an additional 2.5 percent tax on the profits of large companies whose taxable earnings exceed 2 million euros (\$2.5 million). Likewise, it will raise all three VAT tax rates by 1 percentage point each, thus raising the normal VAT rate to 21 percent.

One of the more confusing elements of the bill is the income tax hike of 1 percent on the lowest three brackets, and a 1.5 percent increase on higher brackets over 18,000 euros (\$22,638).

Following reported opposition to the potential unconstitutionality of applying income taxes retroactively, Prime Minister Jose Socrates May 19 said the income tax would not be retroactive and would apply as of June 1.

Dispatch 8603-A/2010 is available, in Portuguese, at:  
<http://dre.pt/pdf2sdip/2010/05/098000001/0000200004.pdf>.

## **Report of Interest - Immigration & Poverty**

### **Immigration and Poverty in the United States**

From the Institute for Research on Poverty Focus Newsletter, Fall 2009



Authors: Steven Raphael and Eugene Smolensky (UC-Berkeley)

URL: <http://www.irp.wisc.edu/publications/focus/pdfs/foc262e.pdf>

### **Summary:**

Examines how immigration 1970-2005 affected U.S. poverty rates, both directly (by adding more poor immigrants) and indirectly (by immigrants competing with and lowering the wages of native-born workers). Uses decennial census and ACS data; decomposition; and wage simulations using a variety of assumptions about the substitutability of different education groups and of natives versus non-natives.

### **Findings:**

Direct effect of immigration on poverty since 1970 is "modest" (over one percentage point). Indirect effect via wage competition is "negligible" because dropouts are a relatively small share of the poverty population; even for African-American dropouts, the upper-bound impacts are at most only about 2 percentage points (5% of poverty for that group), while for native-born Hispanic dropouts, the upper bound was 3 percentage points. Although recent immigrants are very poor, their poverty falls rapidly because many either quickly fare much better here or leave the U.S.

This summarizes a chapter from Cancian and Danziger (2009), *Changing Poverty, Changing Policies*.

## **Policy Paper of Interest - US & EU Social Contracts**

### **Policy Paper**

#### **Under Strain: The U.S. and E.U. Social Contracts and the Great Recession**

New America Foundation

How have the American and European social safety nets performed during the Great Recession, and what weaknesses has the recession exposed in the U.S. and E.U. models? In both cases, repairing the social safety net cannot be separated from the challenge of finding a new, sustainable economic growth model.

"The question for the future is whether the United States and Europe can find a common agenda to expand their social welfare systems or whether they are forced to become greater competitors in a demand-constrained world dominated by Asian mercantilism and producerism," writes Economic Growth Program Director Sherle R. Schwenninger in a [new policy paper](#).

## **Events of Interest**

**-- Upcoming --**



### **House Judiciary Committee - Hearing**

06/17/2010 at 10:00 am

Executive Office for Immigration Review: Immigration, Citizenship, Refugees, Border Security, and International Law Subcommittee hearing on "The Executive Office for Immigration Review."

**Witness(es):** TBA

**Location:** 2141 Rayburn House Office Building

**Contact:** 202-225-3951 <http://www.judiciary.house.gov>

-- Past --

### **Foreign Affairs Discussion**

05/28/2010

The American Enterprise Institute for Public Policy Research (AEI) holds a discussion on "Brazil: Country of the Future at Last?" focusing on Brazil's economic growth and lowered unemployment rates.

**Participants:** Marc Fogassa of Hedgefort Capital Management LLC; William Perry of the Foreign Policy Research Institute; and Matias Spektor of the Council on Foreign Relations

**For More Information Contact:** Hampton Foushee, 202-862-5806, [hampton.foushee@aei.org](mailto:hampton.foushee@aei.org)

## **About Us**

*The source for all Congressional legislation information on this report was the THOMAS system from The Library of Congress (<http://thomas.loc.gov/>). Links for each of the bills listed above direct readers to the THOMAS web page specific to the bill.*

*You can find a PDF file of this and other alerts at NOPA's [website](#). If you have any questions about this or other legislation, please contact NOPA's Government Affairs Team at [info@nopa-us.org](mailto:info@nopa-us.org) or 703-389-3512.*

*The National Organization of Portuguese-Americans is a national non-profit, tax exempt organization that supports and works with communities and organizations to advocate for and empower Portuguese-Americans. If you feel inspired to join our mission, please send your tax deductible contribution to:*

**NOPA, Inc.**



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