

Braley Asks Secretary Geithner to Reconsider Decision to Eliminate Private Debt Collection Program

Today, Rep. Braley wrote to Treasury Secretary Geithner urging him to reinstate the IRS Private Debt Collection Program, which includes jobs at the CBE Group in Waterloo.

Washington, DC - Today Rep. Bruce Braley (D-Iowa) sent a letter to Treasury Secretary Timothy Geithner criticizing his decision to eliminate the Internal Revenue Service's Private Debt Collection program and asking him to reconsider.

CBE Group of Waterloo employs a number of workers under the program. News of Geithner's decision comes the same day that the Bureau of Labor Statistics reported the national unemployment rate has risen to 8.1 percent, its highest in 25 years.

Braley has been a strong advocate of CBE Group jobs, breaking with his party twice in the past two years to vote against legislative proposals eliminating the program. Congressional opponents of the private debt collection program inserted a proposal stripping funding for the program in the Omnibus Act passed by the House last week. Braley supported the bill, but strongly opposed this provision.

"At a time of economic crisis, the IRS shouldn't be putting jobs at risk," Braley said. "I've been a strong supporter of these Waterloo jobs, and I'm frustrated that the decision was made in Washington with little thought to its impact on Iowa. Just today, the Department of Labor announced that our economy lost 651,000 jobs last month and the unemployment rate hit 8.1%, its highest point since 1983. It is inappropriate and counterintuitive for the Administration to cut jobs that support Iowa families in these tough economic times."

The text of Braley's letter to Geithner follows; a copy of the letter is attached.

--

March 6, 2009

The Honorable Timothy F. Geithner

Secretary of the Treasury

Department of the Treasury
1500 Pennsylvania Avenue, NW
Washington, D.C. 20220

Dear Secretary Geithner:

I'm writing in response to reports that you have announced an end to the Private Debt Collection program (PDC), which allows the Internal Revenue Service (IRS) to use private debt collectors.

A Waterloo business, CBE Group Inc., is one of the companies with a contract to collect delinquent taxes. Just today, CBE received an order to wind down operations over the next six months. I'm deeply disappointed that you have chosen to end this program that could cost jobs in my District and ask that you reconsider this decision.

At a time of economic crisis, the IRS shouldn't be putting jobs at risk. I've been a strong supporter of these Waterloo jobs, and I'm frustrated that the decision was made in Washington with little thought to its impact on Iowa. Just today, the Department of Labor announced that our economy lost 651,000 jobs last month and the unemployment rate hit 8.1%, its highest point since 1983. It is inappropriate and counterintuitive for the Administration to cut jobs that support Iowa families in these tough economic times.

Please reconsider your decision to discontinue the private debt collection program that is so vital for keeping good jobs in Iowa's First Congressional District. I am proud of the work CBE employees perform and they should be allowed to continue with this job. Please feel free to contact me if you have any questions and thank you again for your consideration of this request.

Sincerely,

/s/Bruce Braley

Member of Congress