

Nov. 3, 2011

*Washington, D.C.* – Today, Rep. Jerry McNerney (CA-11) introduced legislation to stop American jobs from going overseas. The Stop Outsourcing and Create American Jobs Act of 2011 will crack down on tax loopholes that encourage corporations to ship jobs abroad and penalize corporations that illegally utilize overseas tax havens.

“What the people of our region need is clear: jobs. We cannot afford to see good-paying jobs get sent overseas so that big corporations can enjoy landfall profits. The time is now to put a stop to companies shipping American jobs overseas,” said Rep. McNerney.

“We are never going to get our economy back on track if corporations keep sending jobs overseas. To do so while honest, hard-working people can’t find jobs is a travesty. These big corporations keep getting richer and richer, while real people are struggling to survive in today’s economy,” said Rep. McNerney.

The bill first directs the Secretary of the Treasury to establish a list of “corporate tax haven countries” that enable outsourcing. Secondly, the bill would increase penalties for corporations guilty of a variety of illegal transactions related to an offshore tax haven, such as fraud or false claims.

McNerney’s legislation requires federal agencies to request information about corporations’ outsourcing practices when applying for government contracts and allows preference to be given to companies that have not outsourced jobs in the last year. The penalty for falsifying information regarding outsourcing on an application would be a fine up to the value of the contract. A corporation committing this offense would be disqualified from seeking new contracts for two years. Any revenue generated by the Stop Outsourcing and Create American Jobs Act will be used to pay down the national debt. It will now move to House committees for further consideration.