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NTEU Leader Kelley Applauds House Move To Deliver Welcome Victory to U.S. Taxpayers

Washington, D.C.—The head of the National Treasury Employees Union (NTEU) today applauded action by the House of Representatives in moving an important step closer to delivering taxpayers a welcome and major victory by keeping their personal and sensitive information out of the hands of private debt collectors.

The House late yesterday retained in the fiscal 2007 Transportation-Treasury Appropriations bill language that would prevent the Internal Revenue Service (IRS) from using appropriated funds to hire private sector debt collectors. The language was authored by Rep. Steven Rothman (D-NJ), and approved by a bipartisan vote in the House Appropriations Committee last week.

President Kelley has been leading the fight against the IRS tax privatization plan, warning that “handing over to debt collectors the personal information of 2.6 million taxpayers is wrong-headed, costly and dangerous”—and that it puts taxpayers’ personal and private information at serious risk.

“Retention of the Rothman language in this funding bill reflects the growing bipartisan understanding that the IRS plan is both flawed and misdirected,” Kelley said. “The IRS itself has said that with only a modest increase in resources, IRS employees could collect far more money at far less cost than debt collectors. There’s no reason for the IRS to waste taxpayer money on this program.”

(MORE)

Kelley Applauds House on Rothman Amendment—Add One

Final action by the House on the Transportation-Treasury funding bill is expected later this week. President Kelley said NTEU will work hard to maintain the Rothman amendment language throughout the appropriations process.

Rep. Rothman, who has expressed particular concern about the costs of the proposed program, called the House action “a great day for taxpayers.” He said that “after tonight, we are one giant step closer to savings hundreds of millions of dollars and safeguarding taxpayers’ personal financial information from the grips of private, for-profit collection agencies.”

President Kelley has described the IRS plan as “not just costly and foolish, but dangerous, in light of the growing high-visibility incidence of data loss, both by private employers and the government—including the IRS—and the resulting likelihood of increased identity theft.”

Under the tax privatization plan, which was never debated by Congress on its merits but instead was included in an unrelated corporate tax bill more than a year ago, private debt collectors would be paid up to 24 percent of the money they collect.

And as President Kelley frequently has pointed out, it makes no sense to subject the nation’s taxpayers to the well-documented abusive tactics of the most complained-about industry in America; debt collectors consistently generate the most consumer complaints to the Federal Trade Commission

In addition to the Rothman amendment, NTEU continues to support bipartisan legislation—H.R. 1621—that would revoke the authority of the IRS to hire private sector debt collectors.

NTEU is the largest independent federal union, representing some 150,000 federal workers in 30 agencies and departments, including 90,000 in the IRS.