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United States Senate

May 18, 2016

The Honorable Orrin Hatch
Chairman
Senate Committee on Finance
U.S. Senate
Washington, D.C. 20510

The Honorable Ron Wyden
Ranking Member
Senate Committee on Finance
U.S. Senate
Washington, D.C. 20510

Dear Chairman Hatch and Ranking Member Wyden,

Thank you for your interest in improving and reforming our complicated tax code.

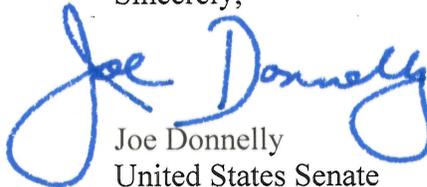
As you may know, roughly 2,100 of my Hoosier constituents recently received the devastating news that their jobs will soon be moved to Mexico to take advantage of \$3 an hour labor. These layoffs by Carrier Corp. and UTEC reflect a decades-long trend in which large corporations seek short-term financial gains rather than investing in the American workforce. The struggling and shrinking middle class is the painful consequence of these decisions.

I have produced the attached white paper on the causes and effects of corporate offshoring, as well as policy recommendations designed to encourage companies to invest domestically and penalize companies that ship jobs to countries like Mexico and China.

Policymakers have an obligation to ensure that federal policies—including tax breaks, contracts, and other government incentives—are designed to benefit the U.S. economy. It is my hope that these policy recommendations will be considered in any tax reform effort.

Thank you for your consideration, and I look forward to continuing to work together on this and other matters.

Sincerely,



Joe Donnelly
United States Senate