



A Choice for State and Local Governments:

Public Employee Pension Transparency or No More Federally Subsidized Debt

Pursuant to clauses 1 and 3 of section 8 of article I of the Constitution of the United States, the Congress has the authority to levy taxes. This authority includes the ability to establish conditions upon which special tax benefits are granted.

The Public Employee Pension Transparency Act is a tax bill. The legislation conditions the continuation of special tax treatment now afforded by the federal government to certain bonds issued by state and local governments on compliance with certain reporting requirements related to public employee pensions.

No state or local government will be compelled to comply with the provisions of this legislation. Those unwilling to do so will simply forego the special tax benefits they receive for their bonds.

National taxpayers should not be forced to subsidize the debt of state or local governments that refuse to open the books on their true public employee pension liabilities.



Rep. Devin Nunes (R-CA)
Public Employee Pension Transparency Act
112th Congress