

Testimony of Robert Fox, Davenport, IA.
Before the U.S. Senate Committee on Health, Education, Labor, and Pensions
“Rebuilding the Middle Class: What Washington can learn from Iowa.”
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Good afternoon and thank you Chairman Harkin for the opportunity to speak today. My name is Robert Fox. I am 31 years old and I was born and raised in Iowa. I have a son, who will be three next month. My parents are from Iowa and still reside here. My parents were young when they had me, so there were initial struggles to start, but they believed in the American Dream. Both of my parents attended public schools and were high school graduates. My father was a mechanic and my mother worked in an office’s mail room. They both worked hard in their professions and worked their way “up the ladder.” My father eventually moved up from a manual labor job into the office and my mother moved out of the mail room and into a claims representative at an insurance company. They both worked hard and bought their first home in the winter of 1993.

I had a good childhood, mostly because it is what I knew. I never went without, but that doesn’t mean my parents didn’t just so I could. I watched as my mother would always eat last to ensure that I had plenty to eat. My parents ensured that I wore clothes that were appropriate to current styles, but to do so they were forced to wear clothes that were dated themselves. I attended public schools, played sports and graduated just on the cusp of honors. I wanted to attend the University of Michigan in Ann Arbor, but the cost of out of state tuition prevented me from going. I decided on Iowa State University where I would study Computer Engineering (it was my childhood dream to be an Architect but I found out later that I had a hard time drawing straight lines, even with a ruler). Iowa State allowed me to spread “my wings” a little bit, however, after a short time there I realized that my chosen major wasn’t what fit me best. I elected to change my major midway through my third year of school. I left Iowa State and attended Des Moines Area Community College to fill in some general requirements that were now needed for my new course work. The fiscally responsible side of me decided it was better to

attend community college back home and not pay rent in Ames, so off I went to move back in with my parents. I attended Scott Community College for the 2006-2007 school year where I finally earned an Associate of Arts and an Associate of Science. During this time I was approached about working for a small business in the area, I was at a cross road... Do I take the job, which paid well and would be good for my resume or do I turn down the job and go back to Ames and finish my degree from my beloved Iowa State University? I chose the job, in hopes that a strong resume would help me long term. With this decision, I was forced to find a school locally that would allow me to continue to work and still complete my degree. I chose St. Ambrose University, where I earned a Bachelor's degree in Computer and Information Systems. While attending St. Ambrose, I was lucky enough to be offered a full time job with a company I had been doing consulting work with. I took the job because my health insurance provided by my mother was soon to be expiring and they offered a benefits package.

Speaking of work, I started working when I was 14 doing a manual labor job for minimum wage but it was fantastic. It granted me some freedoms of my own car and gas and the ability to do some of the things I wanted to do. Throughout high school I worked a retail job on nights and weekends to keep up my car, insurance and gas money. Things were pretty good; I could see the harder I worked, the better things could be for me. During college I worked the retail job on breaks and then was offered an opportunity to "intern" for a summer at a local credit union. This is where my passion for my chosen career picked up. I worked a job during the school year for Iowa State's Agronomy department that continued to give me the passion for my chosen profession. After my move back to this area, and during my completion of my Bachelor's degree, I was finally offered a full time job. I was pleased to be an "adult". I had a job that was full time with benefits and it was in my field of study. I worked at this local company for almost three years before moving on to my current position with local government. I have been with local government for almost six years now. I am very pleased to be employed full time and in my field of study. With local government, I am an IPERS qualified employee. With this program, it

allows me to easily put away for my retirement. Without this, I fear that I wouldn't be able to contribute to a retirement plan at this time. Retirement is one of those scary things that everyone is worried about, and with other money being tight, it is a little bit of a relief that I'll be able to have something when I'm past my working prime.

During my time with local government I have tried to continue my education with both technical and leadership skills. In the summer of 2009, I completed an MBA from the University of Iowa's Tippie College of Business. I did this with the hopes of becoming more marketable internally, but also externally in case something would occur and I would no longer have full time employment.

Unfortunately, tuition isn't really covered by my organization so the bulk of the costs were shouldered by me. This, in addition to previous student loans, has combined for a hefty student loan burden. While in grad school, which was only 2 years, the tuition was raised every year and approved for a raise the third year (thankfully I graduated that summer before the raise went into effect). With this continued cost of education, I fear that the only way I'll be able to send my son to college (and not burden him with the same or worse student loans as myself) is if I die and my life insurance pays for it.

In conjunction with working hard, going to school, getting a good job, there is the buy a house and your life will be better than your parent's portion of the American Dream. I was fortunate enough to purchase my home in March of 2007; it was actually the house that I grew up in. I was always told that it was just what you did when you became an "adult" and that it was part of the path to financial security. My purchase was made within my budget and with a proper lender. However, life changes and now that payment can be difficult at times. And here lies the rub, I have cut costs, pinched pennies and followed a budget, but money is still tight. I continue to make my house payment, but other bills suffer at times. Because I continue to make my house payment, I don't qualify for additional assistance to lower payments/etc. I know of some people who are in the same boat and have elected to not pay their mortgage just so they can qualify for assistance to get out from under houses that are severely

underwater. I luck out in the fact that my house isn't underwater, but it also hasn't gained value like traditional thinking of "keep a house for ten years and on average it will double in value." When I sell my home, I hope to get what I paid for it...not including any updates I have done.

There is concern that my generation might be the first generation to not do as well as or better than their parent's generation. Is this because changes in thoughts and actions by my generation? Is this an issue with the companies that we work for? I have noticed in my short time as a working adult that there has been a shift in loyalty. It appears that companies are no longer loyal to their employees and therefore their employees are no longer loyal to their companies. For example, as I mentioned earlier my mother started with a company in an entry level job and worked her way up into a decent career. The company she worked for was a smaller regional company and it got bought by a bigger regional company and then into a national company. As she worked through purchases, she continued to work hard and do well for herself even though she still only had a high school education but was very dedicated to her job. After over twenty years with her organization, she was fired. The reasoning was that she was not meeting her requirements. Unfortunately those requirements were unrealistic to meet, even with tremendous amounts of time spent after her normal work day (which was not allowed). So after she could not meet her work plans, she was let go. Once she was let go, her company was able to hire in two fresh college graduates for approximately the same pay but with zero experience. Is it my mother's fault that she had twenty years of experience and was being paid appropriately? Is it the company's fault for trying to save a buck?

I don't want to be complete doom and gloom today. I believe we are starting to move in the right direction, but we can't stop doing the right things to make America a better place. I think universal healthcare is a great step in the right direction. I also see that there are steps to help prevent another housing "bubble". There are talks to help students better afford college and/or be able to pay for college and not leave with an extreme amount of debt. I know that we are a great country and that

right now things are tough but we will continue to be a great county just as long as we don't forget about the people that made this such a great country. Again, I appreciate my time here today and thank you for letting me tell my story.