



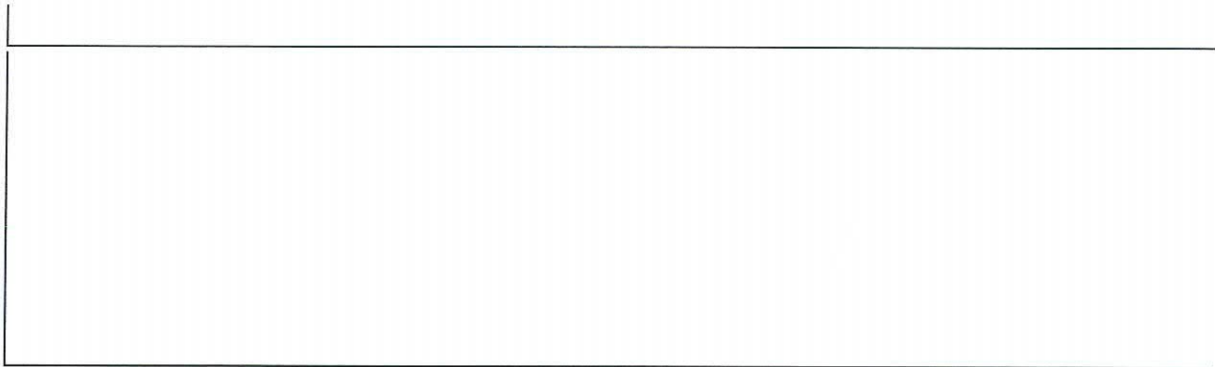
**Masser, Michelle**

**From:** Lashway, Lisa  
**Sent:** Wednesday, February 11, 2009 4:56 PM  
**To:** Sohl, Bill  
**Cc:** Masser, Michelle  
**Subject:** FW: Congressman Rodney Frelinghuysen's e-Newsletter

correspondence

Lisa Lashway  
Township Clerk  
Township of Mount Olive  
P.O. Box 450  
Budd Lake, NJ 07828  
973-691-0900 Ext. 7290

**From:** Rep. Rodney P. Frelinghuysen [mailto:Congressman.Frelinghuysen@mail.house.gov]  
**Sent:** Wednesday, February 11, 2009 4:21 PM  
**To:** Lashway, Lisa  
**Subject:** Congressman Rodney Frelinghuysen's e-Newsletter



**eNews - February 11, 2009**



**Economic Stimulus: Priority #1 Must be Job Creation!**

*"For many families and businesses across New Jersey, the past few months have been absolutely traumatic. There is genuine anxiety and fear about job security, loss of savings, a serious drop in home values, and the decline in the value of personal investments. As a result, consumer confidence is at historic lows.*

*"Quite correctly, Americans are asking for help and we must respond by enacting as quickly as possible an economic stimulus package that actually creates jobs and prevents layoffs. However, we must make sure that response is effective, efficient and timely.*

*"Unfortunately, the bills approved by the House and the Senate, developed by Speaker Nancy Pelosi and her counter-part, Senator Harry Reid, appear to be ineffective, inefficient and not an intelligent way to spend one trillion taxpayer dollars!"*

**Total Cost and Content**

The price tag of the House version of H.R. 1 totaled over \$819 billion. The non-partisan Congressional Budget Office (CBO) reports the Senate-passed package will cost over \$838 billion. All spending is designated "emergency spending." When combined with the \$300+

billion in interest on the additional debt used to finance this bill, the burden on current and future taxpayers will exceed \$1 trillion!

While both bills do contain some measure of tax relief, most of the cost in both bills derives from domestic government spending, much of which has no connection whatsoever to job creation or job protection. In fact, H.R. 1 creates 32 entirely new government programs, at a cost to the taxpayer of over \$136 billion, and adds 600,000 new government jobs.

Billed as a transportation and infrastructure investment package, only \$30 billion (a mere 3%) of the funding is directed toward the “shovel ready” road and highway spending that would immediately create jobs. (And, the infrastructure will cost more because each project nationwide under the bill will be subject to the Davis-Bacon Act, meaning only union contractors need apply!)

According to the CBO, less than half of the spending in this stimulus package will be paid out in the next two years. At that rate, an economic recovery will probably outrun most of the spending in this expensive legislation!

## Process

While H.R. 1 did garner three Republican votes in the Senate (none in the House), neither the bill, nor the process that created it, can accurately be labeled bipartisan. The package was drafted at Speaker Nancy Pelosi’s direction by the Democratic leadership. There were no public hearings. There was no real opportunity to receive input from expert witnesses or Minority members.

## Questionable Spending Unlikely to Create Jobs

The \$1 trillion “economic stimulus” plans are loaded with questionable spending that is unlikely to create jobs or prevent layoffs. For example, either the House or the Senate package contains:

- \$79 billion for a State Stabilization Fund to bail out some states that have done little or nothing to control their own spending or debt;
- \$6.2 billion for weatherization programs, 31 times the budget last year;
- \$6 billion for broadband and wireless services in rural areas;
- \$30 billion for new Energy Department grants and loans, a figure that exceeds the entire 2008 budget of the Department;
- \$600 million for new cars for government workers;
- \$400 million for global warming research;
- \$335 million for sexually transmitted disease education and prevention;
- \$325 million to allow the Bureau of Land Management to “fix” federal land;
- \$300 million tax benefit for golf carts and electric motorcycles;
- \$20 million “for the removal of small-to-medium-sized fish barriers”
- \$25 million “for recreation maintenance, especially off-road vehicle routes”
- \$50 for the Food Research Initiative;
- \$40 million for the National Service Trust;

The House package also contains a \$4 billion pot for community groups like ACORN, now under FBI investigation, to draw upon for what are called “neighborhood stabilization activities.” It would take either an active imagination or a healthy dose of denial to believe that the new programs we initiate this week will EVER go away. And, it is likely that a year from now, the Majority will use this upward pressure on the budget to justify tax increases.

## Temporary Program?

In addition to piling new federal funding into domestic programs that already have large unspent accounts, the Majority is claiming that much of the funding for extra programs is temporary and will end in a few years.

## Expensive Health Care Changes

The House bill contains an expensive expansion of COBRA, a program that lets the unemployed retain access to their former company health benefits -- usually for about 18 months. The stimulus bill allows any former employee over age 55 to keep using COBRA right up until they qualify for Medicare at age 65. However, employees who were previously responsible for paying their health premiums while on COBRA will now have a federal government subsidy of 65 percent. CBO predicts that 7 million Americans will now have the taxpayers pay most of their insurance bills under this new provision.

### **Undermining Successful Welfare Reforms**

The House "stimulus" plan undermines Welfare Reform's key "work requirement." Under current law, states must ensure at least half of adults on welfare are in work, education, training, job search, or other productive activities. The House stimulus bill directly weakens this work requirement, which will further increase the welfare rolls. The mechanics of this change are complicated, but the outcome is clear -- to reduce or eliminate the current work requirement for recipients.

### **Alternative Job-Creating Proposal**

In addition to supporting efforts to cut extraneous funding from the bill, Rep. Frelinghuysen voted for a bipartisan stimulus bill designed to create jobs. This alternative includes job-creating tax cuts for small businesses, tax relief for working families and those receiving unemployment benefits and a tax deduction for individuals purchasing health coverage.

According to estimates based on modeling created by the White House's own economic advisors, this plan would create more than six million new jobs in the next two years. When compared to the Pelosi proposal, the Republican plan provides twice the jobs at half the cost. Specifically, the alternative plan would create 185,000 jobs in New Jersey. According to the White House's own formula, the Pelosi bill will create only 106,000 jobs in our state.

### **The Future**

"I am eager to work with our new President on an economic stimulus bill that produces jobs and actually puts people to work in the private sector. I hope the President will listen to our ideas for more job-creating tax cuts, less domestic spending and far more accountability."

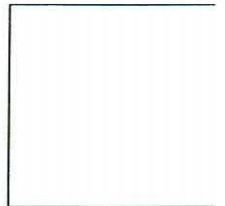
### **Spread the eNews**

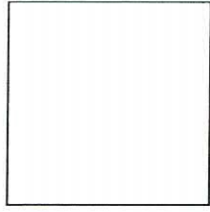
Enjoy receiving this weekly e-newsletter? Tell your friends and neighbors to sign up at Rep. Frelinghuysen's website at <http://frelinghuysen.house.gov/>



Congressman Rodney Frelinghuysen | Representing New Jersey's 11th District | [Contact Us](#) | [eNews Archive](#)

This message was sent from Rep. Rodney P. Frelinghuysen to [clerk@mtolivetwp.org](mailto:clerk@mtolivetwp.org). It was sent from: Office of Congressman Rodney Frelinghuysen, 2442 Rayburn Building, Washington, DC 20515. You can modify/update your subscription via the link below.





Manage your subscription

Share this message with others:  del.icio.us  Digg  reddit  Facebook  StumbleUpon

▪