



U.S. Senate Committee on Appropriations

PRESS RELEASE

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Chairman Inouye Floor Statement on the Economic Recovery Package

Washington, DC. – Senate Appropriations Committee Chairman Daniel K. Inouye (D-Hawaii) delivered the following statement today as the U.S. Senate began consideration of the American Recovery and Reinvestment Act.

“Mr. President, I rise today in support of H.R. 1, the American Recovery and Reinvestment Act. This bill will create four million American jobs, invest in the future of America by rebuilding our roads, bridges and schools, and will give state and local governments the resources they need to deal with surging demand for social services and falling tax revenues. Further, this measure will provide tax cuts to working families who are struggling every day to cope with this terrible recession.”

“Today, we face the gravest economic crisis that this nation has seen since the Great Depression. Our fourth quarter Gross Domestic Product shrank by 3.8 percent, the largest drop since 1982.”

“A million jobs have been lost in the past two months, and this coming Friday we expect to learn that during the month of January, another 600,000 jobs, at a minimum, have been lost. The American people fully understand the depth and seriousness of our economic problems. U.S. foreclosures increased by more than 81 percent last year, a record, with over 2.3 million foreclosures. “

“Our states are struggling terribly, facing the prospect of cutting off vital services, including schools and police. 44 states are facing budget shortfalls totaling \$90 billion for Fiscal Year 2009 and \$145 billion for Fiscal Year 2010.”

“In 2008, U.S. stocks lost roughly \$7 trillion in value. In an instant, the life savings of millions of Americans simply disappeared. Our banking system is in grave shape. Last year, 25 banks with \$373.6 billion in total assets failed in the U.S.”

“All the while, the critical needs of our nation are going unmet. The American Society of Civil Engineers (ASCE) estimates that \$2.2 trillion is needed over a five-year period to bring the nation's infrastructure to an adequate condition.”

“How can we grow our economy and provide opportunities for today’s working men and women if the basic physical infrastructure that underlies every job in this country is falling apart?”We must invest in our future by making the necessary commitments to ensure that our infrastructure will support our future economic growth.”

“But today, we face a much more immediate crisis. In Saturday’s New York Times, economist Allen Sinai stated, “My sense is that business is slashing hugely and across the board. Everyone is cutting prices, people, capital spending and all kinds of expenses. It is almost a herd instinct.”

“Mr. President, there is nothing more destructive to economic growth than deflation. It was the defining characteristic of the Great Depression, and it is the single most difficult economic condition to reverse. We cannot allow a deflationary spiral to develop.”

“Only one institution in the United States, the federal government, has the capacity to step into the breach and stop the terrible spiral of increased layoffs leading to decreased spending, in turn leading to more layoffs and so on.”

“The federal government must take aggressive action. We must use all means at our disposal to address this deepening crisis. Some argue that this is all part of the natural business cycle - that the best course of action is to stand back and let this crisis work itself out. I would remind those who take this position that the Great Depression was also a part of the natural business cycle. “

“President Hoover refused to take aggressive action, and the results speak for themselves. It was not until President Roosevelt took office in 1933 and implemented a series of drastic policy reforms that the economy slowly began to improve, and, almost as important, gave the average American reason to believe that there was a light at the end of the tunnel.”

“We must act boldly, decisively, and with all possible speed, or we will face dire consequences. The American Recovery and Reinvestment Act is the answer. This legislation will not only create jobs now, but will also begin the process of rebuilding the physical infrastructure of America that is the key to future prosperity.”

“Based on these needs, The American Recovery and Reinvestment Act focuses on the following goals: Providing for job retraining for those workers who need to learn new skills in order to compete in the global economy today, while at the same time, improving the education of our children and young adults so Americans can remain competitive tomorrow.”

- **Moving toward energy independence and away from burning fossil fuels that leave us dependent on foreign oil.**
- **Improving our healthcare system so all Americans can have access to quality treatment.**
- **Providing tax cuts and other means of assistance to lessen the impact of this crisis on American’s working families.**

“To meet these goals the Finance and Appropriations Committees recommend a total of \$888 billion in funding, including \$365.6 billion in new appropriations. This is a significant amount of money, but an amount that we believe is wholly necessary to confront the challenges facing our Nation.”

“My colleague from Montana will address the tax and mandatory spending issues that we are recommending and I will address the spending programs that were approved by the Appropriations Committee by a vote of 21 to 9.”

“Mr. President, it would take far too long to describe in detail the hundreds of programs that are included in this bill, but I would like to take a moment to mention some of the more significant investments that we recommend.”

“We will invest in our future by funding projects that will rebuild and improve our physical and cyber infrastructure. These projects, totaling \$142 billion, will create jobs in the near-term, and will provide an improved foundation for future growth by fixing our crumbling roads, bridges, and schools, improving our broadband network, and increasing our ability to conserve energy.”

“America’s tradition of public education is second-to-none, but it has been sadly underfunded in recent years. We all know that for the United States to compete in the 21st century, Americans must be well-educated and capable of adapting to an ever-changing economic environment.

“We recommend investing \$125 billion in education and training so that the next generation of American workers is ready and able to meet the challenge of global competition. In addition, providing job training to recently laid-off workers in new and expanding fields will help to lower the unemployment rate and will allow today’s workers to better compete against foreign competition.”

“In the area of energy, the American Recovery and Reinvestment Act provides \$49 billion in investments in areas critical to the development of clean, efficient, American energy, including modernizing energy transmission, research and development of renewable energy technologies, and modernizing and upgrading government buildings and vehicles.”

“The current economic crisis has affected all Americans, but none more so than the most vulnerable among us. The \$25 billion in spending proposed here will serve to lessen the blow of the current recession, providing immediate relief for children, the poor, and others who may find themselves struggling to put food on the table or a roof over their head.”

“The bill provides \$16 billion in investments in areas critical to immediate and long-term healthcare for millions of Americans. Improved information technology, research facilities, and health and wellness programs, will all provide a better foundation for providing quality healthcare to consumers.”

“Mr. President, we face a critical period in our Nation’s history. The next few years will either see us emerge from this crisis with renewed vigor and with an economy that remains the leading engine of global growth, or we may face years of slow growth and an ongoing struggle just to maintain our current standard of living.”

“Clearly, the goal of this package is to find ways to stimulate the private sector through public sector spending, to jump-start the private sector with much-needed projects that will create jobs as soon as possible, and that will provide meaningful improvements for our communities.”

“At the same time, we seek to ensure that the funds that are appropriated in this legislation are spent carefully and with unprecedented transparency. We include \$110 million in the bill to increase the resources of agency Inspectors General and the Government Accountability Office.”

“In addition, this measure would establish a new oversight board within the Executive Branch which will be charged with oversight of the funding provided in this bill.”

“Such times as these are only overcome with courageous leadership and a willingness to embrace change, listen to new ideas and take chances. This bill is not perfect. But we must not let our fear of imperfection stop us from taking the bold steps necessary to address this crisis and move America forward.”

“The time for action is now. The American Recovery and Reinvestment Act of 2009 is the right policy at the right time, and I urge each and every member of this body to join me in support of creating jobs, supporting our state and local governments, and investing in the future of America.”