



COMMITTEE ON APPROPRIATIONS

DAVID R. OBEY, CHAIRMAN

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OBEY STATEMENT ON EDUCATION JOBS, FMAP SUPPLEMENTAL

WASHINGTON – Congressman Dave Obey (D-WI), the Chairman of the House Appropriations Committee, released the following prepared statement on HR 1586, the Education Jobs, FMAP Supplemental Appropriations Bill considered by the House today:

“We’re here today to consider a simple proposition - we can either sit, frozen in the ice of our own indifference, as Franklin Delano Roosevelt once said, or we can take action to help states meet their safety net obligations and to protect our children’s education by keeping teachers in the classroom while we continue to claw our way back from the most devastating economic crisis since the Great Depression.

“To me, that seems like a pretty simple choice. But there are those who oppose it – arguing that because experts underestimated the depth of the recession and job losses, the relief provided so far was wasted and we shouldn’t provide any more. Now that is mind bogglingly faulty logic if you ask me.

“We need to remember how we got here.

“At the beginning of 2009, the nation faced the worst economic crisis in seventy years. In fact, the only difference between the circumstances faced by the Obama and Franklin Roosevelt Administrations was that Roosevelt inherited the Great Depression at the bottom of the trough, while Obama was handed an economy still in free fall. We were losing 750,000 jobs a month and facing a \$3 trillion hole in the economy because of a collapse in consumer confidence and purchasing power.

“We passed, and the President signed, the much maligned recovery package to address that crisis. It attempted to reset the free-falling economy by providing significant tax cuts to middle income people; by providing emergency economic help to families of workers who lost their jobs; by providing significant funding to states to prevent layoffs of police officers, firefighters and teachers. The legislation also attempted to keep private sector workers on the job by helping states with highway, bridge, and airport construction; and by making investments in energy reform which would lead to greater energy independence and reduce the \$300 billion a year we ship off to foreign countries for their oil.

“That action has had a significant effect. Instead of continuing to lose 750,000 jobs a month, this year the economy has begun again to produce jobs.

“But, welcome as that is, it isn’t enough. The July jobs report was disappointing. One of the most striking numbers in it was the sharp decline – 48,000 jobs -- in state and local government employment, including 27,100 local education jobs lost.

“The economy is still in trouble. States have not yet recovered, and businesses and local economies are just beginning the recovery process.

“We have an obligation not to let up in our efforts to save and produce jobs, and to help keep teachers and other workers on the job for another year while state budgets catch up.

“Here in the House, we have been trying to address that crisis for what seems a mighty long time. Last year, we recognized two reasons for providing federal aid to states and school districts.

The first was to reduce the human carnage that occurs when we take kids off health care coverage or let their education suffer because of teacher layoffs – all due to the fact that the economic crisis had led to collapsing revenues for states and school districts.

“The second was that standing by while states, localities and school boards cut essential investments and services and impose significant new taxes will cripple the ability of the economy to grow and cause additional job weakness in both the private and public sectors.

“So, there were both macro-economic and micro-economic reasons to provide this aid to states and localities.

“We now know that the recession was deeper and broader than we initially hoped. While the economy has improved, the effects of the recession aren’t yet behind us. We aren’t out of the woods yet.

“So, we believe that the right thing to do is to renew some basic assistance to the states – especially for children’s education and health coverage. And we have been trying to provide critical support for months.

“Last December, the House passed the Jobs for Main Street Act, which redirected TARP funds -- to provide \$27 billion to states for education and public service jobs and \$48 billion for transportation and other infrastructure investments that would in turn support much-needed private construction jobs. The bill died in the Senate.

“In May, we proposed to include \$23 billion in emergency funding for public sector jobs in the war Supplemental. It went nowhere.

“In July, the House passed a \$10 billion education jobs fund in the House amendment to the war Supplemental, and we fully offset it. The Senate sent the bill back without the education funding.

“Now today, we have this much reduced bill to provide \$10 billion in funding to save somewhere around 160,000 education jobs and \$16.1 billion in health assistance to the states.

“This effort has been dismissed by Republicans as unnecessary and “geared to special interests.”

“Some will say: “You are only saving public jobs!”

“No. We have, and will continue, to take numerous actions to help stabilize the private sector. But, the public sector does not exist in splendid isolation. The public sector is supposed to meet the needs of the private sector of the economy and the needs of American families.

“We do the country no favors if we allow the weakness of the economy to strip qualified teachers from our schools, which in turn would result in exploding class sizes and a decline in educational opportunities for children.

“Our friends in the minority will accuse us of including “job killing” tax increases to pay for it. That’s ridiculous! The bill closes a tax loophole that encourages companies to ship jobs overseas. Not only will that help pay for this package – it will fix the tax code so that we aren’t rewarding companies for sending American jobs elsewhere.

“Still others, including the leader of the Minority, call this a special interest bailout.

To that I say, since when do we regard America’s kids as a special interest group? You don’t get a second chance to educate kids.

“Clearly, they’ve been listening to their pollsters. But, it is an insult to call teachers, police officers, firefighters, and the millions of Americans who rely on our healthcare safety net “special interests.” It’s nothing but a cynical attempt to scuttle this bill while the same people who attack these hard working Americans are calling for the budget busting extension of the Bush tax cuts for the wealthiest few among us.

“In the last analysis, the proposition we’re being asked to consider today is not only about teachers, or firefighters, or police officers. It is a recognition that the country is not strengthened when public safety is endangered, and it is certainly not enhanced by shortchanging the quality of the education provided to each and every student in the country.

“Now don’t kid yourself – that because this modest package is paid for -- that it will do as much as we should to ease the squeeze on the national economy.

“We will have partially offset the human wreckage caused by the recession, but we will have done nothing in this round to address the macro reality that the economy is still incredibly weak. We will soften the blow of state budget cutbacks, but those very cutbacks have had a negative and neutralizing effect on the federal fiscal stimulus in the first place.

“This is a far less dramatic action than the nation needs to recover from the recession. However, the aid is long overdue. The time for arguing has passed.

“The minority party in the Senate is using the rules of the Senate to give them the functional equivalent of the majority’s ability to determine the agenda of that body. And they have decided to follow a “rule or ruin” approach to governance – blocking every action they can and, in this case, delaying action to the point of complete confusion.

“Our nation’s kids are getting ready to go back to school as I stand here. They need this help now, inadequate though it is. I urge all members to vote yes to give it to them. It’s the least we should do.

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