



Mike Kelly's Third District E-Newsletter

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**U.S. Representative
Mike Kelly**

online at

www.kelly.house.gov



Dear Friend,

It's been just over 100 days since I was sworn in to represent the Third District of Pennsylvania in the U.S. House of Representatives. In that time, I've had the privilege of meeting with constituents from throughout the district. I have heard their thoughts, fears, and concerns about the many challenges we face today, including record high unemployment rates, rising gas prices, and a \$14 trillion national debt that threatens our fragile economic recovery.

While our challenges are great, so too is the American spirit. Our nation has always met adversity with optimism and an unshakable faith in the promise of a better tomorrow. We can create a stronger, brighter future for our kids and grandkids if we are willing to come together as a nation to make the tough decisions we need to make today in order to fix our problems for the future.

This newsletter highlights some of the work I've done to help put America on a path to prosperity so that we can grow our economy and get more Americans back to work. My commitment to this cause has never been stronger, and I will continue to fight for the freedoms and principles on which our nation was founded and work to restore the American dream for generations to come.

Sincerely,



Kitchen Table Economics--Families Learn to Live within Their Means, Why Shouldn't Washington?

During these hard economic times, families across the country have made sacrifices in order to live within their means. Sitting around the kitchen table, as many families do, hard working men and women have looked at what money they take in compared to the amount of money they spend. If they spend more than they earn, they go through the difficult process of balancing their budget and making the cuts no one likes to make. It's never easy, but families and businesses do it every day in order to meet their obligations and avoid bankruptcy.

If the same kitchen table economics were applied to the federal government, our nation's fiscal house would be in much better order. Right now, our country is \$14 trillion in debt. Our government borrows 42 cents for every dollar spent (usually loaned from China) and for the last three consecutive years has spent \$1 trillion more than it has taken in, a practice known as "deficit spending."

This level of runaway spending not only threatens our economic future, but also our national security. According to Admiral Mike Mullen, chairman of the Joint Chiefs of Staff, our debt presents "the biggest threat we have to our national security." We know our debt is unsustainable and we know that passing it on to our children and grandchildren is unconscionable. So what do we do about it?

For starters, we can begin by dialing back spending. While the budget debate in Washington has been, at times, very heated, it has resulted in one of the largest spending cuts in America's history. Instead of talking about how much to increase spending, *this* Congress has been debating how much to decrease, which is a first for Washington in recent memory.

While the [budget that passed for the remainder of Fiscal Year 2011](#) contained \$38.5 billion in cuts, it was just the beginning of a much larger spending debate, one that turned from talking about cuts in the billions to cuts in the trillions. With the 2012 budget, our focus became larger, looking not only to reducing discretionary spending, but also looking at reforming our entitlement, or mandatory, spending on programs like Medicare and Medicaid. The House passed a [2012 budget](#) that took bold steps to save Medicare, keeping the current program safe for seniors 55 and older, while protecting it for future generations of seniors. The budget also reformed the tax code to make it more simplified and fair, while finding ways to streamline the federal government so it works more efficiently and cost-effectively.

While some suggest that the best way to handle our debt is by raising taxes, consider this fact:

According to Internal Revenue Service data, the entire taxable income of everyone earning over \$100,000 in 2008 was about \$1.582 trillion. Even if all these Americans—most of whom are far from wealthy—were taxed at 100%, it wouldn't cover President Obama's deficit for this year alone.

Let's be clear: We don't have deficits because American's are taxed too little; we have deficits because Washington spends too much. It's time to stop spending money we don't have.

[To view my "Top 20" list of proposed spending cuts, please click here.](#)

A Soldier's Story

On the eve of what many feared would be the first government shutdown in 15 years, I received a call from an Army officer stationed at Ft. Bragg. A son of the Commonwealth, this officer called me and the entire Pennsylvania delegation to tell us about the concerns his troops had over a possible shutdown. He told me how a shutdown would financially devastate our troops and compromise morale. He was sincere in his appeal, asking me to do what I could to prevent a shutdown from happening. Later that day, [he sent me a letter](#). In it, he wrote:

“Funding the military in this case is not about bombs and bullets, rather it is all about the people...the families behind the service members that have been asked to sacrifice so much already. It is irresponsible for us to add this burden and stress to the only segment of Americans that serve their Country in ‘Enemy Territory.’ I am frankly surprised and disappointed that the 1% of the population that wears the uniform has to fight for financial security in our own nation.

“My concern is not about my bank account, it is about the 18yr old Soldier in Iraq and Afghanistan who is ready to go on a deadly mission in the enemy’s home turf and they hear that their wife cannot buy groceries, or that the rent check bounced....”

That evening, House Republicans passed the Troop Funding Bill, a measure that would fund the Department of Defense through Fiscal Year 2011, guaranteeing that no matter how the budget debate in Washington would unfold, our troops would be protected. Frustratingly, the President called our effort to pass the Troop Funding Bill a “distraction,” vowing not to support it. With that option off the table, we now had to agree on a budget resolution that would ensure troop funding throughout the remainder of 2011. That resolution eventually came in the form of [H.R. 1473](#), which is now law.

One of the reasons I voted for that budget was because it would put our troops’ financial fears to rest, giving them the peace of mind they deserve as they fight to keep the peace for us. Many were upset that I voted for the budget, but with the Senate and President not only unwilling to negotiate a greater spending reduction than the \$38.5 billion agreed to, but also unwilling to support the Troop Funding Bill, I felt I had little choice. I wasn’t going to compromise the well-being of our troops. There was too much on the line and too many lives on the frontlines to turn my back on the troops. It was a decision I made thoughtfully and one that I do not regret.

Government of the People, By the People and For the People

Sitting on my desk in Washington is a plaque given to me by an old friend. It reads: *When you get there, remember where you came from.*

Too often, people in Washington forget why they are there. They forget that the money in the Treasury isn’t theirs, it’s the People’s, and they forget that they are there to serve, not the other way around.

That is why part of my campaign pledge was to reform the way government works, making it more accountable to the people it works for and on behalf of. To that end, I have co-sponsored the following legislation to make government more efficient, effective, and beholden to the People:

[H.J. Res. 2](#): Balanced Budget Constitutional Amendment. This legislation requires that Congress not spend more than it receives in revenues; requires the

President to submit a balanced budget to Congress; requires a 3/5 majority to increase the debt; requires a true majority of each chamber (not just a majority of those present and voting) to pass tax hike legislation; and forces Congress to eliminate unnecessary and wasteful spending and make the decisions necessary to balance the budget and eliminate the federal deficit.

[H.R. 339](#): End the Lame Duck -This would require that, prior to the general election, Congress would adjourn until the commencement of the next Congress. Any appropriation bills not passed by Election Day would be subject to a continuing resolution at the previous fiscal year's level. Only a declared national emergency, which requires the agreement of both the majority and minority leadership, would allow Congress to be called into session.

[H.R. 421](#): Full Faith and Credit Act - Requires the authority of the Department of the Treasury to pay the principal and interest on debt held by the public to take priority over all other obligations incurred by the government in the event the federal debt reaches the statutory limit.

[H.R. 59](#): Sunset All Czars Act - Prohibits the use of appropriated funds to pay for any salaries or expenses of any task force, council, policy office within the Executive Office of the President, or similar office that is established by or at the direction of the President and is headed by a Czar.

In addition to this legislation, I have worked on the [Oversight and Government Reform Committee](#) to remove duplicative and wasteful government spending. According to a [Government Accountability Office report](#) released in February, the government wastes billions each year in funding for programs that could be consolidated with others or eliminated entirely, saving taxpayer dollars and chipping away at our debt. Some findings from the study include duplication in the following areas:

- Economic development: 80 different programs spread across numerous agencies, often with similar goals.
- Surface Transportation: More than 100 programs run by five divisions within the Department of Transportation deal with surface transportation.
- Energy: Eliminating duplicative federal efforts to increase ethanol production could save \$5.7 billion each year.
- Financial literacy: 56 programs dealing with financial literacy.
- Job training: 44 employment and training programs.

Creating Jobs and Getting Americans Back to Work

Excessive government spending has economic consequences for all Americans – higher cost of living, higher interest rates, and higher taxes. We did not get into this financial mess overnight, and we won't get out of it overnight.

In order to grow our economy and get people back to work, investors and small businesses need confidence that Congress will use common sense American principles to cut spending and ensure a secure economic future.

America's solution for job creation won't come by raising taxes to pay for even more wasteful government bureaucracy. That was the approach behind the more than \$800 billion failed stimulus, which we were told would keep unemployment at or below 8%. After that empty promise, within no time unemployment soared to 10% and has stayed at or around 9% ever since. A trillion dollars in debt later, Americans know they didn't get what they paid for.

On November 2, 2010, Americans sent a clear message to Washington: Enough is enough. Enough excessive taxation, regulation, and litigation. Enough government takeovers of the economy.

To grow the economy we need to empower America's job creators, small businesses, families and entrepreneurs to lead us to real job growth. In the past 15 years, 64% of net new jobs have been generated by small businesses. They need the support of their government, not more regulation and interference.

One important piece of legislation I co-sponsored to help address excessive regulation includes [H.R. 910, the Energy Tax Prevention Act](#). The Act would help block the Environmental Protection Agency's proposed global warming regulatory agenda. This legislation is being considered in response to efforts by the EPA to regulate greenhouse gases (GHG) and administratively implement a "cap-and-trade" system—a system similar to the one that Democrats failed to advance in the 111th Congress.

Not only would EPA regulation of GHG hurt our entire economy, it would hurt Pennsylvanians in particular. Governor Rendell's Public Utility Commission opposed cap-and-trade policies in 2009, claiming that it could cost Pennsylvania 66,000 jobs and electrical rates in Pennsylvania would "necessarily skyrocket" because 58% of the Commonwealth's electricity is generated by coal. This regulation, which is not constitutionally mandated, needs to be stopped before we bleed more jobs and lose more opportunity.

Another focus on job creation is in the promotion of free and fair trade. Approximately 95% of consumers live outside of the U.S. In order to restore our economy, we need to aggressively increase exports to create more American jobs. As a member of the [Foreign Affairs Committee](#), and vice-chair of the Subcommittee on Asia and the Pacific, I have worked to promote passage of the [U.S. Korea Free Trade Agreement](#). This agreement would ensure a fair playing field for American businesses by tearing down barriers to U.S. exports to South Korea. According to the Office of the U.S. Trade Representative, this will result in the creation of 70,000 new jobs in the U.S., an annual increase in the gross domestic product of the United States by \$10 billion to \$12 billion, and an annual increase in U.S. exports to South Korea by around \$10 billion.

Defending Life

On January 24, hundreds of residents from the Third District traveled to Washington, DC to stand up for life and defend the unborn. I had the great privilege of meeting with many of those visitors, including the students photographed below, at a reception following the annual [March for Life](#). While the day marked a solemn remembrance of the over 40 million lives lost to abortion since *Roe v. Wade* became law, it was also a day of unity and celebration. Hundreds of thousands of Americans came together in a spirit of hope that one day the right to life, liberty and the pursuit of happiness will be extended to and protected for the unborn.



Pro-life legislation that I am proud to have co-sponsored since coming to office include:

Bills that I am a co-sponsor of:

- [H.R. 3](#): the No Taxpayer Funding of Abortion Act, which would make permanent the various funding restrictions that must be approved each year in the annual spending bills—including the prohibition on the use of foreign aid to pay for abortions, the prohibition on federal employee health programs paying for abortions, and conscience protections for doctors, nurses, and other health care workers;
- [H.R. 217](#): the Title X Abortion Provider Prohibition Act, which prohibits organizations that perform abortions from receiving federal family planning dollars;
- [H.R. 358](#): the Protect Life Act, which would make the pro-life Stupak-Pitts amendment a part of President Obama’s health care law; and
- [H.R. 374](#): the Life at Conception Act, which specifies that life begins at conception and gives unborn children all the rights and protections currently given to those living outside the womb.

[To see more photos from the March for Life reception, please click here.](#)

No Flip-Flops on Presque Isle

Saving the shoreline of Presque Isle has always been one of my top priorities, and it will remain so as long as I represent the Third District.

Presque Isle State Park is one of Northwestern Pennsylvania’s greatest economic and natural resources. The Park attracts four million visitors each year, many of whom visit the park exclusively for its extensive coastline and pristine beaches. Those beaches, which erode with each passing winter, are replenished every year in time for the summer tourist season.

Earlier this year, there was an [amendment](#) on the House floor during the FY 2011 budget debate that would have cut all funding for beach replenishment projects by the Army Corps of Engineers. This amendment would’ve been incredibly detrimental to our community. Fortunately, this amendment failed overwhelmingly with my staunch opposition.

There is a large, bi-partisan, federal, state and local agreement that the

continued funding of the sand replenishment program at Presque Isle remain a top priority. In previous sessions of Congress, my predecessors secured funding for sand replenishment through congressional “earmarks.” This year, however, the earmarking process in the House of Representatives is under a moratorium—meaning there will be no earmarks in spending bills originating from the House of Representatives. My office must fight for funding through other avenues. One avenue is pursuing funding through the Army Corps of Engineers’ budget.

In February, [I wrote a letter](#) to Lieutenant Colonel Bales with the Army Corps of Engineers asking the Corps to ensure that Presque Isle Beach Replenishment remains a high-priority project in the FY 2011 budget.

It is absolutely critical for the Park and our region that the sand gets replenished on an annual basis because the economic effect would be devastating, especially on Erie’s already struggling economy. As the FY 2012 budget debate moves forward, I’ll continue to work with state and local officials to ensure that the beaches at Presque Isle remain a top priority.

ENERGY INDEPENDENCE

The price of oil and gas has spiked dramatically in light of the recent political instability sweeping the Middle East and North Africa. High energy costs are affecting everyone from families to small businesses and seniors on fixed incomes.

What Pennsylvanians deserve is a rational, transparent debate about developing domestic resources and ending our reliance upon foreign sources of energy. The U.S. must take advantage of all resources available and utilize domestic energy sources. We must embrace a diverse, “all of the above” approach to our nation’s energy portfolio that emphasizes the development of natural gas, clean coal, domestic oil and other renewable energy sources.

Part of this “above all” energy equation can be found right here in the Third District and throughout the Commonwealth. Pegged by some as the “Saudi Arabia of natural gas,” Pennsylvania has the potential to become one of the world’s largest producers of natural gas. Through exploration and development of the Marcellus Shale Natural Gas Field Formation, Pennsylvania could reap tremendous economic benefits that would create jobs that can’t be outsourced, while raising revenue and producing energy to help fuel and grow our local and national economy.

In fact, reports have shown that for each mile of pipeline throughout the Marcellus Shale, nearly \$1 million is poured into Pennsylvania’s economy. Additionally, for every \$1 invested in the state by Marcellus producers, \$1.90 in total economic output is generated.

Right now, my colleagues and I on the Marcellus Shale Caucus are working together to address the immense benefits, as well as the potential and perceived risks, associated with further development of the Marcellus Shale. We will work to ensure that the well construction, drilling, and the hydraulic fracturing processes associated with shale development are done in a way that respects our environment and protects us from the contaminants and pollutants that have plagued us in the past.

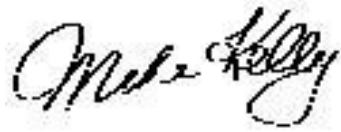
Our nation and Commonwealth has been blessed with abundant natural resources. We should not be hesitant to tap into them, especially at a time

when energy costs are on the rise again.

I want to thank you for joining us in this inaugural edition of my newsletter. Please feel free to contact any of my offices if you have comments or questions (contact information is provided below). We're always here to listen!

Having worked as a car dealer my whole life, my focus has always been on customer service. That's how I see my role now: I'm your representative in Washington, and I'm trying to provide the best customer service I can. Will everyone agree with everything I do? No. But this is your chair, and I can't represent the Third District without hearing from you, so please let us know how we're doing.

Have a joyful Easter!

A handwritten signature in black ink, appearing to read "Mark Kelly". The signature is written in a cursive, flowing style with some ink bleed-through from the reverse side of the page.