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# WHERE ARE THE JOBS?

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A LOOK BACK AT ONE YEAR OF  
SO-CALLED "STIMULUS"

PREPARED BY THE OFFICE OF THE REPUBLICAN LEADER  
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FEBRUARY 17, 2010

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# INTRODUCTION

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On the one-year anniversary of President Obama and Congressional Democrats' trillion-dollar "stimulus" spending program, it is clear that it has utterly failed to live up to their promises.

When Democrats rushed their massive 1,100-page, "stimulus" through Congress in 2009, they promised that unemployment would not exceed eight percent<sup>1</sup> and that job creation would begin "almost immediately."<sup>2</sup> But nearly one year later, more than three million more Americans have lost their jobs, unemployment is near 10 percent, and the deficit is set to hit a record \$1.6 trillion.

By the Democrats' own metrics, the "stimulus" hasn't worked: it's chock-full of wasteful government spending that has funneled money to congressional districts that don't exist and the Administration's claims of jobs "saved or created" were so exaggerated that it quietly abandoned the metric at the end of last year.

Sadly, our children and grandchildren will be the ones who bear the cost of the "stimulus." While it costs \$862 billion today, with interest it will cost more than \$1 trillion.<sup>3</sup>

Survey after survey confirms that an overwhelming majority of Americans oppose the Democrats' "stimulus" program.<sup>4</sup> In fact, a CBS/*New York Times* poll released just days before the one-year anniversary of the "stimulus" found that "just 6 percent of Americans think it has created jobs."<sup>5</sup>

This report outlines the Democrats' broken promises and wasteful spending that has led the American people to continue to ask after one year of "stimulus": Where are the jobs?

# PART ONE:

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## WHERE ARE THE JOBS?

*“We’re creating jobs immediately” – President Barack Obama, February 9, 2009* <sup>6</sup>

It is important to take a look back at the events of the previous year to understand how we arrived at a situation with record job losses and record deficits following one year of the Democrats' trillion-dollar "stimulus":

## "STIMULUS" TIMELINE OF EVENTS

- JANUARY 9, 2009** Then-Chair-designate for the Council of Economic Advisers Christina Romer releases her now-infamous report on the Democrats' proposed "stimulus" bill. The report estimates that with the "stimulus" unemployment will peak at eight percent in the third quarter of 2009, and that without the "stimulus" bill unemployment will peak at 10 percent between the first and third quarter of 2010.<sup>7</sup>
- JANUARY 26, 2009** At 8:57 PM, the House Rules Committee reports out the rule on the "stimulus" bill, H.R. 1, thereby locking-in the text of the bill.<sup>8</sup>
- JANUARY 27, 2009** At 12:15 PM, President Obama meets with House Republicans at the Capitol to, according to the *Associated Press*, "listen to concerns [about the 'stimulus'] from Republicans."<sup>9</sup>
- FEBRUARY 6, 2009** The U.S. Department of Labor reports that the unemployment rate increased from 7.2 percent in December 2008 to 7.6 percent in January 2009, with a loss of 598,000 jobs.<sup>10</sup>
- FEBRUARY 9, 2009** When asked how soon the effects of the Democrats' "stimulus" will be felt when it is signed into law, National Economic Council Director Lawrence Summers tells CNN "[y]ou'll see the effects begin almost immediately."<sup>11</sup>
- At a primetime news conference, President Obama says that his "stimulus" plan will "save or create up to 4 million jobs" and that "[w]e're creating jobs immediately." Obama also says that "[m]ore than 90 percent of the jobs created by this plan will be in the private sector."<sup>12</sup>
- FEBRUARY 17, 2009** The Democrats' trillion-dollar "stimulus" bill, also known as the *American Recovery and Reinvestment Act* (PL 111-5), is signed into law by President Obama.<sup>13</sup>
- MARCH 6, 2009** The U.S. Department of Labor reports that the unemployment rate increased to 8.1 percent in February 2009, with a loss of 651,000 jobs.<sup>14</sup>
- MARCH 12, 2009** President Obama declares at a White House "stimulus" conference that "[i]f we see money being misspent, we're going to put a stop to it, and we will call it out and we will publicize it."<sup>15</sup>

MARCH 24, 2009	At a primetime news conference, President Obama says that the “stimulus” is “going to save or create 3.5 million jobs.” <sup>16</sup>
APRIL 3, 2009	The U.S. Department of Labor reports that the unemployment rate increased to 8.5 percent in March 2009, with a loss of 663,000 jobs. <sup>17</sup>
APRIL 29, 2009	At a primetime news conference, President Obama says that the “stimulus” has “already saved or created over 150,000 jobs.” <sup>18</sup>
MAY 8, 2009	The U.S. Department of Labor reports that the unemployment rate increased to 8.9 percent in April 2009, with a loss of 539,000 jobs. <sup>19</sup>
MAY 11, 2009	The White House Council of Economic Advisors releases a report that estimates that the Democrats’ “stimulus” will “create or save 750,000 jobs by early August.” <sup>20</sup>
JUNE 2, 2009	Vice President Biden tells a group of business leaders in New York “[t]here are going to be mistakes made” and that “[s]ome people are being scammed already.” <sup>21</sup>
JUNE 5, 2009	The U.S. Department of Labor reports that the unemployment rate increased to 9.4 percent in May 2009, with a loss of 345,000 jobs. <sup>22</sup>
JUNE 14, 2009	On NBC’s <i>Meet the Press</i> , Vice President Biden admits that “[a]t the time no one realized how bad the economy was.” <sup>23</sup>
JULY 2, 2009	The U.S. Department of Labor reports that the unemployment rate increased to 9.5 percent in June 2009, with a loss of 467,000 jobs. <sup>24</sup>
JULY 5, 2009	Vice President Biden says that the Obama administration “misread the economy.” Biden also says that the “stimulus” “is the right package given the circumstances we’re in.” <sup>25</sup>
JULY 22, 2009	At a primetime news conference, President Obama says that the “stimulus” has “already saved jobs and created new ones.” <sup>26</sup>
AUGUST 7, 2009	The U.S. Department of Labor reports that the unemployment rate decreased one-tenth of one percent to 9.4 percent in July 2009, while 247,000 more jobs are lost. <sup>27</sup>
SEPTEMBER 4, 2009	The U.S. Department of Labor reports that the unemployment rate increased to 9.7 percent in August 2009, with a loss of 216,000 jobs. <sup>28</sup>
OCTOBER 2, 2009	The U.S. Department of Labor reports that the unemployment rate increased to 9.8 percent in September 2009, with a loss of 263,000 jobs. <sup>29</sup>

- OCTOBER 22, 2009 According to an *Associated Press* report, “[t]he government's economic stimulus spending has already had its biggest impact and probably won't contribute to significant growth next year, a top White House adviser [Romer]” says in congressional testimony.<sup>30</sup>
- NOVEMBER 6, 2009 The U.S. Department of Labor reports that the unemployment rate increased to 10.2 percent in October 2009, with a loss of 558,000 jobs.<sup>31</sup>
- NOVEMBER 8, 2009 Summers tells *The Washington Post* that “I think we got the Recovery Act right.”<sup>32</sup>
- NOVEMBER 17, 2009 Vice President says in an interview on Comedy Central's *The Daily Show* that “[w]e've been in business seven, eight months. You haven't seen wasteful spending. No one has said we spent \$2 million on things that didn't exist.”<sup>33</sup>
- NOVEMBER 18, 2009 President Obama dismisses reports of errors in counting jobs “saved or created” as a “side issue” and says that job counting is “an inexact science.”<sup>34</sup>
- DECEMBER 1, 2009 Vice President Biden's chief economist Jared Bernstein says “[t]here is a lot more ammunition left in the stimulus package” after the White House claims that the Democrats' “stimulus” “created or saved just over 640,000 jobs.”<sup>35</sup>
- DECEMBER 4, 2009 The U.S. Department of Labor reports that the unemployment rate decreased two-tenths of one percent to 10 percent in November 2009, while 11,000 more jobs are lost.<sup>36</sup>
- JANUARY 8, 2010 The U.S. Department of Labor reports that the unemployment rate held steady at 10 percent in December 2009, while 85,000 more jobs are lost.<sup>37</sup>
- JANUARY 13, 2010 The White House Council of Economic Advisors releases a quarterly report on the “stimulus” that claims that it is responsible for saving or creating between 1.5 and 2 million jobs.<sup>38</sup>
- JANUARY 24, 2010 On CNN's *State of the Union*, White House Advisor David Axelrod says that the “stimulus” “saved more than 2 million jobs.”<sup>39</sup>
- On NBC's *Meet the Press*, White House Advisory Valerie Jarrett says that the “stimulus” has “saved thousands and thousands of jobs.”<sup>40</sup>
- On Fox's *Fox News Sunday*, White House Press Secretary Robert Gibbs, says that the Democrats' “stimulus” “saved or created 1.5 million jobs.”<sup>41</sup>
- FEBRUARY 5, 2010 The U.S. Department of Labor reports that the unemployment rate decreased three-tenths of one percent to 9.7 percent in January 2010.<sup>42</sup>

## “STIMULUS” RHETORIC VS. RESULTS

On February 17, 2009, the day President Obama signed the “stimulus” into law, the White House released detailed projections of how many jobs would be created or saved by state and congressional District over the next two years.<sup>43</sup>

The chart below compares the projections made by the Administration with the actual change in state payroll employment through December 2009 provided by the U.S. Department of Labor.<sup>44</sup> Only North Dakota and Washington, D.C., have seen net job creation, and even those levels fall short of White House claims.

Finally, the table also compares the unemployment rate when the stimulus was enacted versus the December 2009 rate.

State	Administration Projections of “Stimulus” Employment Impact	Actual Change in Jobs Through December 2009	Unemployment Rate When “Stimulus” Was Enacted	December 2009 Unemployment Rate
Alabama	+52,000	-39,600	8.4%	11.0%
Alaska	+8,000	-3,300	7.9%	8.8%
Arizona	+70,000	-71,200	7.8%	9.1%
Arkansas	+32,000	-13,800	6.5%	7.7%
California	+396,000	-388,800	10.6%	12.4%
Colorado	+60,000	-63,200	7.2%	7.5%
Connecticut	+41,000	-43,600	7.4%	8.9%
Delaware	+11,000	-10,500	7.3%	9.0%
District of Columbia	+12,000	<b>+4,300</b>	9.9%	12.1%
Florida	+207,000	-155,200	9.6%	11.8%
Georgia	+107,000	-130,300	9.2%	10.3%
Hawaii	+16,000	-20,800	7.1%	6.9%
Idaho	+17,000	-13,900	6.7%	9.1%
Illinois	+148,000	-171,400	8.6%	11.1%
Indiana	+75,000	-69,000	9.4%	9.9%
Iowa	+37,000	-35,300	4.9%	6.6%
Kansas	+33,000	-47,100	5.9%	6.6%
Kentucky	+48,000	-36,400	9.3%	10.7%
Louisiana	+50,000	-42,600	5.7%	7.5%
Maine	+15,000	-16,300	7.8%	8.3%
Maryland	+66,000	-35,700	6.8%	7.5%
Massachusetts	+79,000	-51,000	7.7%	9.4%
Michigan	+109,000	-132,100	12.0%	14.6%

Minnesota	+66,000	-53,900	8.0%	7.4%
Mississippi	+30,000	-16,800	9.1%	10.6%
Missouri	+69,000	-39,600	8.3%	9.6%
Montana	+11,000	-10,700	6.0%	6.7%
Nebraska	+23,000	-16,700	4.3%	4.7%
Nevada	+34,000	-61,500	10.0%	13.0%
New Hampshire	+16,000	-11,100	5.7%	7.0%
New Jersey	+100,000	-62,900	8.2%	10.1%
New Mexico	+22,000	-18,400	5.4%	8.3%
New York	+215,000	-129,600	7.8%	9.0%
North Carolina	+105,000	-73,300	10.7%	11.2%
North Dakota	+9,000	<b>+1,900</b>	4.2%	4.4%
Ohio	+133,000	-107,800	9.5%	10.9%
Oklahoma	+40,000	-25,500	5.5%	6.6%
Oregon	+44,000	-36,600	10.7%	11.0%
Pennsylvania	+143,000	-109,300	7.5%	8.9%
Rhode Island	+12,000	-13,400	10.5%	12.9%
South Carolina	+50,000	-18,000	10.9%	12.6%
South Dakota	+10,000	-8,200	4.6%	4.7%
Tennessee	+71,000	-60,600	9.0%	10.9%
Texas	+269,000	-167,600	6.5%	8.3%
Utah	+32,000	-33,600	5.1%	6.7%
Vermont	+8,000	-4,500	7.2%	6.9%
Virginia	+93,000	-34,500	6.6%	6.9%
Washington	+75,000	-67,500	8.3%	9.5%
West Virginia	+20,000	-10,300	6.0%	9.1%
Wisconsin	+70,000	-80,900	7.8%	8.7%
Wyoming	+8,000	-15,600	3.9%	7.5%
<b>Total</b>	<b>+3,467,000</b>	<b>-2,873,300</b>	<b>8.2%</b>	<b>10.0%</b>

## THE DEMOCRATS’ “STIMULUS” MATH: HOW TO COUNT JOBS

The Obama Administration took “some heat and mockery for using the nebulous and non-economic term of jobs being ‘saved or created’” by “stimulus” program.<sup>45</sup> On Nov. 24, 2009, House Republican Leader John Boehner (R-OH) and House Oversight & Government Reform Committee Ranking Member Darrell Issa (R-CA) wrote a letter to Vice President Biden asking the Administration to stop using the “created or saved” terminology, citing “gross inaccuracies and confusion associated with the counting of job claims” and asking the Administration instead to focus on actual job creation.<sup>46</sup> In December 2009, the Obama Administration quietly abandoned the scheme.<sup>47</sup> When you see how jobs have been counted over the past year, it is easy to understand why.

At a November 2009 congressional hearing, Recovery Accountability and Transparency Board Chairman Earl Devaney admitted that “the reports on jobs created or saved” are “riddled with inaccuracies and contradictions.”<sup>48</sup>

Devaney was right. Examples of the fuzzy math of “stimulus” job counting abound:

- “When Chrysler reported a \$53 million contract to build 3,000 government vehicles last fall, it listed zero jobs because it used existing employees to fill the orders. But under the new rules, those workers would have counted.”<sup>49</sup>
- “The California state auditor rapped the state corrections department for reporting 18,000 jobs instead of just 5,000 officers who had received layoff notices before stimulus money came in. But under the new guidance, the corrections department may have been right because stimulus money is helping it make payroll for all its employees.”<sup>50</sup>
- “Even in its limited review, the [Associated Press] found job counts that were more than 10 times as high as the actual number of paid positions; jobs credited to the stimulus program that were counted two and sometimes more than four times; and other jobs that were credited to stimulus spending when none was produced.”<sup>51</sup>
- “Some recipients of stimulus money used the cash to give existing employees pay raises, but each reported saving dozens of jobs with the money, including one Florida day care that claimed 129 jobs saved.”<sup>52</sup>
- “A Texas contractor whose business kept 22 employees to handle stimulus contracts saw its job count inflated to 88 because the same workers were counted four times.”<sup>53</sup>
- A water department in Palm Beach County, Florida “hired 57 meter readers, customer service representatives and other positions to handle two water projects. But their total job count was incorrectly doubled to 114.”<sup>54</sup>

- An early progress report on the “stimulus” released in October 2009 featured numerous mistakes, including “a Colorado business’ claim that its stimulus contract created more than 4,200 jobs. TeleTech Government Solutions actually hired 4,231 temporary workers for its stimulus project, but most of them worked for five weeks or less and the others no more than five months, company president Mariano Tan said.”<sup>55</sup>
- In October 2009, the Administration said the “stimulus” had directly created or saved at least 640,000 jobs, however, the Government Accountability Office raised doubts about the data and urged additional scrutiny. “Almost 4,000 designated recipients who have not yet received stimulus funding reported creating or saving more than 58,000 jobs, GAO said. Another 9,200 recipients reported no job creation, despite receiving a total of \$965 million.”<sup>56</sup>
- In November 2009, Government auditors raised doubts about the number of jobs created or saved by the Democrats’ “stimulus” program.<sup>57</sup>
- According to a November 2009 Government Accountability Office report, “[r]oughly 10 percent of the recipients of stimulus dollars failed to submit quarterly reports” the month before.<sup>58</sup>
- “In November 2009, a website set up by the Obama administration to track stimulus spending reported that “in Arizona’s 15<sup>th</sup> congressional district, 30 jobs have been saved or created with just \$761,420 in federal stimulus spending.” However, the 15<sup>th</sup> congressional district does not exist; the state only has eight districts.<sup>59</sup>
- “In Oklahoma, recovery.gov lists more than \$19 million in spending – and 15 jobs created – in yet more congressional districts that don’t exist.”<sup>60</sup>
- “In Iowa, it shows \$10.6 million spent – and 39 jobs created – in nonexistent districts.”<sup>61</sup>
- “In Connecticut’s 42<sup>nd</sup> district (which also does not exist), the website claims 25 jobs created with zero stimulus dollars.”<sup>62</sup>
- “The list of spending and job creation in fictional congressional districts extends to U.S. territories as well. \$68.3 million spent and 72.2 million spent in the 1<sup>st</sup> congressional district of the U.S. Virgin Islands. \$8.4 million spent and 40.3 jobs created in the 99<sup>th</sup> congressional district of the U.S. Virgin Islands. \$1.5 million spent and .3 jobs created in the 69<sup>th</sup> district and \$35 million for 142 jobs in the 99<sup>th</sup> district of the Northern Mariana Islands. \$47.7 million spent and 291 jobs created in Puerto Rico’s 99<sup>th</sup> congressional district.”<sup>63</sup>
- A November 2009 “stimulus” report on jobs in Wisconsin stating that more than 10,000 jobs were save or created “rife with errors,” including “double counting and inflated numbers based more on satisfying federal formulas than creating real jobs. In one case, five jobs were mistakenly listed as 50 – and then counted twice. In another, pay raises to workers were listed as saving more than 100 jobs. And in another, jobs were listed as saved even though the money had not been received and no work on the project had begun. About \$7.7 million of federal money will flow to the

Parkland Sanitary District in Douglas County to replace its sewer system, a project listed as creating or saving 100 jobs even though work won't start until this spring, federal recovery data shows. But that number is inflated by 95 jobs, Parkland Sanitary District treasurer Eric Schaffer admitted. When reporting to the U.S. Department of Agriculture's online reporting system, Schaffer meant to type '5' but mistakenly added a zero – and that 50-job figure appears twice in the federal data because it was a combined grant and loan. He tried to correct the error, but was told it was too late for the federal reporting deadline. Meanwhile, three other Wisconsin towns reported jobs on combined federal loans and grants that were counted twice, doubling their totals from 35 to 70 jobs, records show.”<sup>64</sup>

- “United Migrant Opportunity Services based in Milwaukee reported saving 113 jobs through spending \$18,000 of a Head Start preschool grant, or about \$160 per job. The award provided their employees a 1.8 percent cost-of-living wage increase. The nonprofit provides services to migrant farm workers in Wisconsin and other states.”<sup>65</sup>
- A November 2009 “stimulus” report on jobs in Wisconsin found that C3T Construction Co., a general contracting company in Milwaukee, listed 24 jobs retained for projects on which no work had begun and no stimulus money had been received. ... The company got more than \$7 million for five contracts.”<sup>66</sup>
- A November 2009 “stimulus” report on jobs in Wisconsin found that “[o]wners at five Section 8 housing complexes in Madison and Milwaukee reported saving 38 jobs with more than \$540,000 in additional rental assistance for low-income residents, though they acknowledged no new jobs were created.”<sup>67</sup>
- “The number of public safety jobs created or saved with federal stimulus dollars has been vastly overstated in California, according to the state auditor. ... State Auditor Elaine Howle said that the Department of Corrections and Rehabilitation has overstated by as many as 13,000 the number of jobs saved by federal stimulus dollars. That represents more than 10 percent of the jobs California reported saving with the federal funds. Howle said the department appears to have counted employees who were not at risk of losing their jobs.”<sup>68</sup>
- A November 2009 report released by the Government Accountability Office examined the quality of the data used to calculate how many jobs were generated by the “stimulus.” The findings include, “[n]early 4,000 reports filed by recipients of stimulus money showed no dollar amount received. Yet those same reports claimed to have created or saved more than 50,000 jobs. Some 9,200 reports showed no jobs, even though they spent a total of almost \$1 billion in stimulus money. Nearly one in 10 stimulus recipients failed to file reports. Almost one quarter of reports from primary stimulus recipients were not reviewed by a federal agency. Recipients used different formulas to calculate how many jobs they had created or saved.”<sup>69</sup>

- A November 2009 report released by the Government Accountability Office (GAO) found that, “despite training from federal agencies, many recipients were confused about how to count jobs. ‘Implausible amounts’ of money were reported, or there were discrepancies between amounts awarded and received...There were 3,978 reports that ‘showed no dollar amount received or expended but included more than 50,000 jobs created or retained.’... It also found more than 9,000 reports that showed no jobs but said more than \$1 billion had been spent. The GAO said that 10 percent of those who received money had not filed reports.”<sup>70</sup>
- According to the *Chicago Tribune*, Illinois reported the North Chicago School District saved the jobs of 473 teachers with stimulus money, even though it employs only 290 teachers.”<sup>71</sup>
- “The Office of Management and Budget document shows that before an October 30 progress report on the program the administration asked the Recovery Accountability and Transparency Board to remove information from 12 stimulus recipients that contained ‘unrealistic data,’ – including ‘unrealistic job data.’<sup>72</sup>
- Talladega County, Alabama “claimed that 5,000 jobs had been saved or created from only \$42,000 in stimulus funds.”<sup>73</sup>

## TEMPORARY JOBS, LOST JOBS, AND DEPARTING JOBS

- The *Associated Press* reported that in Oregon, “Democrats are taking credit for a remarkable feat: creating 3,236 new jobs in the program’s first three months. But those jobs lasted on average only 35 hours, or about one work week. After that, those workers were effectively back unemployed, according to an *Associated Press* analysis of state spending and hiring data. By the state’s accounting, a job is a job, whether it lasts three hours, three days, three months, or a lifetime.”<sup>74</sup>
- The Georgia Labor Department spent \$19.7 million on a job program and claimed to create 2,601 in a report filed in October 2009. However, most of the jobs were already gone by the time the report was filed. The remaining jobs will be gone by March 2010.<sup>75</sup>
- \$43 million in “stimulus” funds was provided for salaries and benefits for departing employees at three state universities in Iowa.<sup>76</sup>
- Barton County, Missouri, created 22 temporary highway construction jobs, but local workers who were laid off from a furniture plant were not qualified. Instead, workers from a location several hours away were hired.<sup>77</sup>

- \$19.5 million in “stimulus” funds was provided for the construction of a six-story parking garage at St. Barnabas Hospital in Bronx, New York, where 25 people are currently employed as parking attendants. After the parking garage opens, only six parking attendants will be needed.<sup>78</sup>
- A St. Cloud, Minnesota, bus manufacturer where Vice President Joe Biden visited in March 2009 to tout the supposed benefits of the “stimulus” announced in August that it would lay off more than 300 workers by the end of 2009.<sup>79</sup>

## GOVERNMENT GETTING IN THE WAY OF JOB CREATION

- Top telecommunications firms, such as AT&T, Verizon and Comcast avoided participating in the \$4.7 billion broadband grant program funded by the “stimulus.” Some said “taking money could draw unwanted scrutiny of business practices and compensation, as seen with automakers and banks that have taken government bailouts,” and that there were also concerns about “conditions attached to the money.”<sup>80</sup>
- A “stimulus” program aimed at supporting local school districts that float bonds for school construction projects has discouraged potential lenders from buying the bonds under the program because it is difficult to make money from them. As reported by *Bloomberg* on December 24, 2009, only \$2.3 billion of the \$11 billion in bonds that was available in 2009 was sold. Lenders under the program are paid through tax credits, but banks “can’t use the tax credits if they have no profits and no tax liability.” The Weldon City school district in North Carolina planned to use its allotment of bonds to finance the replacement of science labs at Weldon Science and Technology High School “where rusted gas pipes have forced students to do their experiments on computers instead of Bunsen burners.” The City of Weldon “planned to use a local company, Freeman Roofing, for the repairs. On December 2, Freeman went out of business and 18 workers lost their jobs. “If we had gotten those projects,’ said Bill Freeman, the company’s owner, ‘we’d be in business today.’”<sup>81</sup>

## THE COST OF “FREE” MONEY

- The town of Perkins, Oklahoma, had a shovel-ready project, a new wastewater treatment plant that was slated to receive “stimulus” funding. However, the project was required to comply with numerous federal regulations in order to receive the funds, which increased the cost of the project from \$5.26 million to \$7.2 million. Utility rates were increased by 60 percent to pay for the cost of accepting the “stimulus” dollars.<sup>82</sup>

## WHERE ARE THE JOBS? IN GOVERNMENT

- In his February 9, 2009, news conference President Obama said that “[m]ore than 90 percent of the jobs created by this plan will be in the private sector.”<sup>83</sup> However, in September 2009, 14 of the top federal government agencies responsible for “stimulus” spending hired about 3,000 workers with “stimulus” funds. The federal government grew by more than 25,000 employees, or 1.3 percent since December 2008, while the number of unemployed increased by nearly 4 million.<sup>84</sup> The *New York Times* reported that “[a]lthough President Obama initially said that 90 percent of the jobs created by the “stimulus” program would be in the private sector, the data suggests that well over half of the jobs claimed so far have been in the public sector.”<sup>85</sup>

## PART TWO:

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# WASTE, FRAUD AND ABUSE

*“If we see money being misspent, we’re going to put a stop to it, and we will call it out and we will publicize it.” – President Obama, Mar. 12, 2009 <sup>86</sup>*

*“We’ve been in business seven, eight months. You haven’t seen wasteful spending. No one has said we spent \$2 million on things that didn’t exist.” –Vice President Joe Biden, Nov. 17, 2009 <sup>87</sup>*

## WASTEFUL SPENDING

Both President Obama and Vice President Biden claimed that there would be no wasteful spending in the “stimulus,” and that if there was they would put a stop to it. The following are examples where they had an opportunity to stop wasteful spending, but chose not to:

### NO-BID AND EXPENSIVE CONTRACTS

- Even though the Pentagon saves “more than three times as much money when companies compete,” as of July 2009, more than “one-fourth of the military’s stimulus contract spending” was awarded through no-bid contracts. As of July 2009, more than \$543 million in federal contracts for “stimulus” spending were awarded without competition.<sup>88</sup>
- As of August 2009, more than half of the “stimulus”-funded contracts awarded by federal agencies were awarded as “cost-reimbursement agreements,” an arrangement the Obama administration “has repeatedly described as risky and prone to abuse,” according to *Government Executive* magazine. Federal agencies spent \$5.44 billion, or 53 percent, on these types of contracts.<sup>89</sup>

### MILLIONS FOR TINY AIRPORTS

- \$400,000 to build a new runway for the Williamson Flying Club, a “private social club for local pilots” in upstate New York.<sup>90</sup>
- The Purdue University Airport received \$800,000 to help keep animals off the runway, “even though they’ve reported just one incident: a plane ran over a skunk in 1996.”<sup>91</sup>
- \$15 million dollars went to “build a bigger, better airport” for the town of Ouizinkie, Alaska, population 165.<sup>92</sup>

### ROAD SIGNS

- *ABC News* reported that road signs advertising “stimulus”-funded road projects “cost \$500 apiece in Maryland and New Hampshire, \$1,700 in Georgia, \$2,000 in Pennsylvania and New York, and \$3,000 per project in New Jersey. For the price of one \$2,000 sign, 40 potholes could be repaired.” New York was reported to be spending “about \$1 million on signs, and in most states, the signs are made before projects are started.”<sup>93</sup>
- The state of Michigan made 40 road signs for promoting the fact that road projects were funded by the “stimulus” bill at a cost of \$300 to \$500 per sign, depending on the size of the sign.<sup>94</sup>

### SOCIAL SECURITY FOR THE DEAD

- Rose Hagner of Anne Arundel County, Maryland, received a \$250 supplemental Social Security check funded by the “stimulus” bill. However, Mrs. Hagner died on Memorial Day 1967.<sup>95</sup>

### SOCIAL SECURITY FOR INMATES

- \$250 Social Security “stimulus” checks were sent to 1,700 inmates, for a total of \$425,000.<sup>96</sup>

### SMALL BRIDGES TO SELL YOU

- \$128 million for a bridge in Martin County, Florida, to connect two towns that are already connected by another bridge three miles away.<sup>97</sup>
- \$2.5 million was allocated to restore the Rock Island Railroad Bridge, which connects to the William J. Clinton Presidential Center in Little Rock, Arkansas, even though the William J. Clinton Foundation agreed to renovate the bridge in its 2001 agreement with the city of Little Rock to lease the land on which the library is built for \$1 per year.<sup>98</sup>
- Arena, Wisconsin received about \$426,000 to replace a bridge that carries an average of 10 cars per day.<sup>99</sup>
- Douglas County, Wisconsin, received “stimulus” money to repair a bridge that carries 10 cars per day.<sup>100</sup>
- The majority of the bridges in Wisconsin that were awarded \$15.8 million in “stimulus” funding for repairs carry fewer than 1,000 vehicles per day, and many of them carry far fewer than that. Bridges carrying almost 60,000 vehicles per day were not eligible for the first round of “stimulus” funds.<sup>101</sup>
- Thirty-seven of the bridges in Wisconsin that received “stimulus” funding carry an average of 568 vehicles per day. Twelve of these bridges carry fewer than 100 vehicles per day.<sup>102</sup>
- A bridge in Lindwood, Wisconsin, carrying an average of 260 vehicles per day, including traffic for Stevens Point Country Club and Rusty’s Backwater Saloon, received \$840,000 in “stimulus” funds.<sup>103</sup>

### SEX STUDIES

- \$221,000 grant from the National Institutes of Health to Indiana University to examine “barriers to condom use.”<sup>104</sup>
- \$219,000 grant from the National Institutes of Health to Syracuse University to study “‘hookups’ among adolescents.”<sup>105</sup>
- \$123,000 grant from the National Institutes of Health to the University of Illinois, Chicago, to “evaluate ‘drug use as a sex enhancer’ in an analysis of ‘high-risk community sex networks.’”<sup>106</sup>
- \$28,000 grant from the National Institutes of Health to the University of Maryland at Baltimore to study “how methamphetamine, thought to produce an ‘insatiable need’ for sex among users, ‘enhances the motivation for female rat sexual behavior.’”<sup>107</sup>

### BIKE LOCKER

- \$1 million was spent by a Portland, Oregon, transit agency to build 250 bike lockers.<sup>108</sup>

### ODD JOBS

- \$840 to a Baltimore, Maryland company to take apart one desk, and assemble and ship two other desks.<sup>109</sup>
- \$500,000 to hire an “urban forester auditor” and three apprentices who will “interface with residents and increase awareness about the importance of trees in the District,” according to city records.<sup>110</sup>
- \$500,000 to give \$1,200 subsidies to Washington, DC residents who install rain barrels and plant shade trees.<sup>111</sup>
- \$250,000 to install or upgrade traffic signs in Montgomery County, Maryland, with “fluorescent microprismatic” sheeting.<sup>112</sup>
- \$350,000 to buy new dispatch software for the Montgomery County, Maryland bus system.<sup>113</sup>
- \$1.75 million for 48 new energy-efficient garage doors at Washington, DC, fire stations.<sup>114</sup>
- \$4.3 million to install “green” roofs at 12 Washington, DC, fire stations.<sup>115</sup>

### WASHINGTON, DC FOREST FIRES

- The U.S. Forest Service directed \$2.8 million in “Wildland Fire Management” “stimulus” funds be used to restore public parks and watersheds in Washington, DC, and highlight the value of urban parks.<sup>116</sup>

### CHILDREN WHO BUY HOUSES

- Rep. John Lewis (D-GA), chairman of the House Ways & Means Oversight Subcommittee, said at an October 2009 subcommittee hearing that there are “possibly hundreds of millions of dollars that have been paid to taxpayers who are not entitled to the credit,” including children as young as four. The Inspector General for Tax Administration at the Treasury Department J. Russell George, told the subcommittee that the IRS processed more than one million claims—70,000 of which were “questionable” and totaled almost half a billion dollars – before the filters were eventually put in place in May 2009.<sup>117</sup>

### PHANTOM SCHOOL DISTRICTS

- The Hillcrest Rural Schools District in Kansas was designated by the U.S. Department of Education to receive Title I “stimulus” funds. However, the school district no longer existed. A total of 11 school districts were designated to receive “stimulus” funding, totaling almost \$600,000.<sup>118</sup>

### LIGHT FIXTURES

- \$10,000 to replace light fixtures at the Gavins Point National Fish Hatchery in Yankton, South Dakota.<sup>119</sup>

- \$2.2 million to install skylights in a state-run liquor warehouse in Helena, Montana.<sup>120</sup>

#### CRYOGENIC COOLER FOR PALLID STURGEON SPERM

- \$10,000 to purchase a liquid nitrogen cryo freezer to store pallid sturgeon sperm.<sup>121</sup>

#### ELECTRIC FISH

- \$1.25 million to Northwestern University and Professor Malcolm MacIver to “use electric fish from the Amazon to study how animals take in sensory information to move quickly in any direction.”<sup>122</sup>

#### PAMPHLETS

- \$120,000 for the U.S. Army Corps of Engineers to print a pamphlet about the cleanup Onondaga Lake in New York, even though Sens. Chuck Schumer (D-NY) and Kirsten Gillibrand (D-NY) sent out news releases when the funding was first announced heralding the funding as something that would help “improve the quality of life for residents in the area” and that it would “create jobs across the region.”<sup>123</sup>

#### TOILETS

- \$460,000 for the U.S. Forest Service to purchase and install 22 Gunnison Single Vault precast concrete toilet buildings in the Mark Twain National Forest in Missouri.<sup>124</sup>
- \$2.8 million for toilets in national forests in New Mexico.<sup>125</sup>

#### SOLAR PANELS

- \$400,000 to the U.S. Forest Service to purchase and install 250 solar panels on the supervisor’s office in the Wayne National Forest in Nelsonville, Ohio.<sup>126</sup>

#### SKATE PARK

- \$550,000 to the city of Pawtucket, Rhode Island, to construct a skate park.<sup>127</sup> Local officials later decided to use the funding on road work instead, but used the original source of federal funding they planned to use to build the skate park before the “stimulus” was signed into law.<sup>128</sup>

#### TANGO AND THEATER

- Lincoln Center in New York City brought in jazz musician Pablo Aslan for a “tango salon” using “stimulus” funds.<sup>129</sup>
- Three acting jobs at the Chicago Shakespeare Theater were saved when “stimulus” funds were used to support a performance of “Richard III.”<sup>130</sup>
- The job of the designer of the Cezanne exhibit at the Montclair Art Museum in Montclair, New Jersey, was reported saved by “stimulus” funds.<sup>131</sup>

- The salaries of former TV actress Melissa Gilbert and rest of the cast of “Little House on the Prairie: the Musical” performing at the Paper Mill Playhouse in Millburn, New Jersey, were supported for an additional week by “stimulus” funds.<sup>132</sup>

#### PORNO HORROR FILMS

- \$50,000 “stimulus”-funded National Endowment for the Arts grant to the Frameline film house in San Francisco which screened “Thundercrack,” “the world’s only underground kinky art porno horror film, complete with four men, three women and a gorilla.”<sup>133</sup>

#### NAKED DANCE

- \$25,000 “stimulus”-funded National Endowment for the Arts grant for “The Symmetry Project,” which depicts “the sharing of a central axis, [as] spine, mouth, genitals, face, and anus reveal their interconnectedness and centrality in embodied experience” and involves “two people writhing naked on the floor.”<sup>134</sup>

#### FISHING FOR DEVICES TO CATCH FISH

- \$700,000 from the National Oceanic and Atmospheric Administration to the Oregon Department of Fish and Wildlife to hire fishermen to recover lost crab pots.<sup>135</sup>

#### BUILDING BROADBAND WITHOUT A MAP

- \$350 million in “stimulus” funds was set aside to create “a national broadband map that could guide policies aimed at expanding high-speed Internet access.” The \$350 million price tag “struck some people in the telecommunications industry as excessive, compared with existing, smaller efforts,” and the map “won’t even be done in time to help decide where to spend much of the \$7.2 billion in “stimulus” money earmarked for broadband programs.”<sup>136</sup>

## QUESTIONABLE CONTRACTS AND OVERSIGHT

As if the wasteful spending wasn't bad enough, the Democrats' trillion-dollar "stimulus" has also been used to line the pockets of numerous contractors with a checkered past, wasting tens of millions of dollars. The following are a few examples:

### CONTRACTORS FINED, CHARGED OR SUSPENDED

- A Muskogee, Oklahoma, company was awarded two road construction contracts totaling \$2.7 million funded by the "stimulus," even though the owner of the company "pleaded no contest in early 2007 to conspiring to use prohibited road material and intimidating a state grand jury witness."<sup>137</sup>
- AIMCO received \$13 million in "stimulus" tax credits to rehabilitate its housing complex in Los Angeles "after the company paid \$3 million in 2004 to settle a lawsuit from the city of San Francisco over complaints that it operated mold and rodent-infested buildings that posed serious safety hazards."<sup>138</sup>
- In September 2009, a contractor that handled a variety of infrastructure projects for the Wright-Patterson Air Force Base was suspended from doing business with the government on suspicion of fraud. The contractor, APM LLC, received "about \$12 million in economic stimulus funds." A federal audit revealed that APM's "chief executive officer and his brother 'conspired to hide' APM's ineligibility for a U.S. Small Business Administration set-aside program restricted to minority-owned companies bidding for federal accounts." The brothers were also found to have "concealed relationships between APM and other companies through ownership or management that would have made APM ineligible for the SBA's 8(a) minority contracting program and would make the other companies ineligible for companies they may try to compete for."<sup>139</sup>

### SAFETY VIOLATIONS

- UT-Battelle, a partnership of the University of Tennessee and Battelle Memorial Institute, was awarded "43 Recovery Act contracts worth more than \$331 million by the Department of Energy for work at the Oak Ridge National Laboratory." UT-Battelle was cited in 2005 "for serious nuclear safety violations" at Oak Ridge, and in 2008 "the inspector general cited the company for using \$600,000 in federal money for unapproved expenditures on cigars, wine and gifts, including a pen with a built-in USB flash drive, given to guests at a scientific conference."<sup>140</sup>

### A LOWERED THRESHOLD FOR GRANTING "STIMULUS" FUNDS

- The Department of Housing and Urban Development "lowered the threshold that the nation's public housing agencies must meet to get some of the stimulus money set aside for new roofing, plumbing and other renovations." Prior to the relaxing of standards, "only housing authorities designated as 'high performers' were deemed eligible to compete for much of the nearly \$1 billion set aside for capital improvements."<sup>141</sup>

### “STIMULUS” SCAMS PREY ON THE AMERICAN PEOPLE

- In July 2009, a U.S. district court judge issued a temporary restraining order against Grant Writers Institute (GWI), a company that was “giving consumers the impression that it could guarantee that they would get a \$25,000 grant from the government.” When consumers called the company they were told that the federal government was releasing “\$300 billion that must be given away this year to people just like you.” However, the company’s real goal was to get consumers to buy a \$59 booklet on how to get that grant.<sup>142</sup>
- In July 2009, The National Highway Traffic Safety Administration warned about “bogus websites” related to the Cash for Clunkers program that make it appear as though you must first register for the program and asks “for all kinds of personal information that could be used to steal your identity.”<sup>143</sup>
- In July 2009, an Alabama Attorney General warned consumers about an identity theft scam, targeted towards low-income citizens that promised \$1,000 in free “stimulus” money. The scammers told consumers that “they are eligible for a free \$1,000 food voucher, but the consumer must first pay \$3.95 by credit or debit card. However, the consumer never receives a \$1,000 food voucher. Instead, consumers who provides this information will have their identities stolen using the personal and financial information.”<sup>144</sup>

### “STIMULUS” FOR SLUMLORDS

- In Brooklyn, New York, a slumlord owner of a 138-unit building with approximately 374 housing code violations, including “mold, water leaks, missing smoke and carbon monoxide detectors, broken floors, mice and lead-based paint” is to get \$270,602 in “stimulus” cash.<sup>145</sup>
- A slumlord owner of a Manhattan apartment building “got a boost of \$630,000 in Recovery Act funds despite 132 violations. Problems included an inadequate supply of heat, peeling paint, exposed electrical wires and roaches.”<sup>146</sup>
- In August 2009, a Bronx apartment building with 110 violations, 90 of them tagged dangerous, was granted \$1,514,016 in “stimulus” funds. “The 49-unit building was cited for a leaky roof, roach and mice infestations, moldy ceilings, and broken toilets and tubs.”<sup>147</sup>

### GOVERNMENT AGENCIES NOT MINDING CONTRACTORS AND INTERFERING WITH OVERSIGHT

- A report commissioned by Amtrak’s former inspector general, found that Amtrak managers improperly interfered with oversight of the railroad’s \$1.3 billion in economic “stimulus” funding. The report cited that the “the railroad’s lawyers and financial managers interfered with the internal watchdog’s ability to get stimulus-related documents and the \$5 million Congress appropriated for stimulus oversight.”<sup>148</sup>
- In April 2009, it was reported that the federal government will send more than \$300 million in “stimulus” funds to 61 housing agencies that have been repeatedly faulted by auditors form mishandling government aid. “Recipients including housing authorities in 26 states that auditors have cited for problems ranging from poor bookkeeping to money that was spent improperly,

according to the review of summaries the agencies must file with the federal Office of Management and Budget.”<sup>149</sup>

#### A GOVERNMENT AGENCY WITH ITS OWN PROBLEMS

- In February 2009, the National Park Service, “whose lackluster attention to abandoned mines drew sharp criticism from the Interior Department’s inspector general in a report issued last July,” was granted \$50 million to clean up abandoned and polluted mines.<sup>150</sup>

## PART THREE:

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# BETTER SOLUTIONS

*“At the beginning of this year, I told President Obama and Speaker Nancy Pelosi that Republicans would be ready to work with them whenever possible to address the nation’s biggest challenges. I also said that where there are differences, it was our obligation as a party to explain to the American people how we would do things better.” – House Republican Leader John Boehner<sup>151</sup>*

When President Obama assumed office in 2009, House Republicans pledged that when they disagreed with the president on policy matters, they would not simply be the party of “opposition,” but the party of better solutions. To that end, the House Republican Economic Recovery Solutions Group developed several proposals to help restore confidence in America’s economic future and free our nation’s employers to begin creating jobs. Given our record national deficit, Republicans believe it is important to pursue policies that help grow the economy and support job creation without additional government spending, new bureaucracies, or added debt that will be left to our children and grandchildren. The following is the House Republicans’ No-Cost Jobs Plan.

## **REPUBLICANS’ NO-COST JOBS PLAN**

### **TEAR DOWN SELF-IMPOSED OBSTACLES TO ECONOMIC GROWTH:**

The threat of increased taxes, new government regulation, and costly government mandates – all of which are currently pending before Congress and various regulatory bodies – are a significant threat to any employer who is trying to decide whether they can afford to expand. As the CEO of a steelmaker recently told the *Wall Street Journal* “Companies large and small are saying, ‘I am not going to do anything until these things – health care, climate legislation – go away or are resolved.’”

Therefore Congress and the Administration should:

### **Halt Any Proposed Rule or Regulation Expected to Have an Economic Cost, Result in Job Loss, or Have a Disparate Impact on Small Businesses:**

- Since taking office, the Administration has had under consideration over 100 regulations that are deemed economically significant, meaning they have an impact on the economy in excess of \$100 million. Many of these rules will directly impact small businesses.
- The President should issue an immediate Executive Order halting any proposed regulations expected to impose any net costs on the economy in either the near or long-term or that negatively impact small businesses or result in a net loss of jobs. Such rules should be rewritten to fully mitigate any negative economic impact.

### **Eliminate Job Killing Federal Tax Increases:**

- While there is a philosophical difference between the two parties when it comes to taxes, we believe we should find common ground on the premise that the government should at a minimum never raise taxes during periods of high unemployment.
- While Republicans will continue to fight both new initiatives that are premised on tax increases and automatic tax increases that are imbedded in current law, we urge a bipartisan commitment to blocking such tax increases at least until unemployment is below 5% again.

### RESTORE CONFIDENCE IN AMERICA'S ECONOMIC FUTURE:

Record deficits and debts and the seeming lack of commitment on the part of policymakers to restrain federal spending has caused many to conclude that the federal government is likely to address its deficit problems by either raising taxes or inflating the dollar. Even the threat of such actions in the future is a drag on the current economy.

Therefore Congress and the Administration should:

#### **Demonstrate a Commitment to Lowering the Deficit Now Without Raising Taxes By Freezing Domestic Discretionary Spending at Last Year's Level:**

- In addition to the \$787 billion “stimulus” bill, Congressional Democrats are pushing through appropriations bills that will increase domestic discretionary spending by 12% in one year.
- A freeze in domestic discretionary spending would immediately save \$53 billion and more importantly demonstrate an immediate commitment to fiscal restraint.

### ASSIST COMMUNITY BANKS AND SMALL BUSINESSES:

The downturn in the commercial real estate market is impacting not just businesses that must roll over their loans, but also community and regional banks that have a significant exposure in commercial real estate. Because commercial real estate loans are generally written for a five year term and many are coming to term over the next several years, approximately \$400 billion in loans must be refinanced each year for the next several years. Many economists have cited the problems in the commercial real estate market as major hindrance to economic recovery.

Therefore Congress and the Administration should:

#### **Assist Community Banks and Small Businesses with the Downturn in the Commercial Real Estate Market:**

- The after-tax costs of properties could be lowered by reducing the depreciation schedule for property from 39½ years to 20 years or less.
- Bank regulators should act to improve transparency and ensure flexibility in underwriting and appraisal standards so as to ensure that financing is available for those properties with the promise of generating revenue. At a minimum this should include requiring standardized reporting on the number of performing loans per institution that are not renewed. This would ensure that regulators on the ground are living up to the commitments of regulators in Washington not to deny renewal of loans simply because of a fall in the value of the collateral.

## **REFORM THE UNEMPLOYMENT SYSTEM TO HELP THE JOBLESS AND SMALL BUSINESSES ALIKE:**

The current Federal-State unemployment insurance program is ill-equipped to assist individuals in the current economic downturn, especially those who may not be able to find employment in their former field. Furthermore, as a result of declining / negative balances in unemployment trust funds, most states will increase unemployment payroll taxes on employers, averaging almost \$250 per worker per year through 2012. This will directly increase costs of employment for businesses of all sizes.

Therefore Congress and the Administration should:

### **Reform the Unemployment System to Help Those Out of Work Find Jobs and Lower Federal Payroll Taxes to Assist in Hiring:**

- Federal unemployment insurance recipients who are most likely to exhaust benefits should be expected to engage in education, training, or enhanced job search as a condition of eligibility. This proposal would expand on the current successful Reemployment and Eligibility Assessment program operated by some States.
- The government should require states to adopt a program like “Georgia Works” as a condition of accessing Unemployment Insurance Modernization funds. Under this successful program unemployment insurance recipients are placed in real part time jobs with real employers, with the employer deciding whether to hire them at the end of a 6-week trial period. Their pay during the period is their unemployment benefit, along with a State-provided stipend for job-related transportation and child care expenses. This has resulted in faster returns to work, less unemployment payments, and thus lower State unemployment taxes.
- The Federal government could help offset part of the cost of state payroll tax increases by immediately suspending the Federal unemployment tax, saving employers \$56 per worker per year. The “cost” of this tax suspension is \$7 billion a year and could be offset through reduction in improper government payments, which according to the Administration totaled \$98 billion last year – an increase of \$26 billion over the previous year.

## **REDUCE REGULATORY AND TAX BARRIERS TO DOMESTIC JOB CREATION:**

Federal regulations and tax law often make it easier for large companies to create jobs overseas than to create jobs here at home. Efforts should be taken to ensure the most favorable environment possible for domestic job creation. Therefore Congress and the Administration should:

### **Remove Unnecessary Barriers to Domestic Energy Production:**

- Increased domestic energy production from all sources (including oil, natural gas, oil shale, nuclear, and renewable) has the potential to lower energy costs, reduce our reliance on foreign oil, and create new jobs. Yet regulatory barriers often prevent or unnecessarily delay environmentally sound domestic energy production.

- The Administration and Congress should act to remove the regulatory barriers to energy production and streamline the existing permitting process.

#### **Provide an Incentive for Companies to Repatriate Earnings Back to the United States:**

- Currently any profits a U.S. based company earns abroad are taxed at the 35% U.S. corporate tax rate when those earnings are brought into the U.S. As a result companies often choose to reinvest their earnings in subsidiaries overseas rather than at home.
- In 2004, Congress allowed companies a limited time to repatriate foreign profits and pay a reduced tax rate of 5.25%. The policy resulted in more than \$350 billion dollars of profits being returned to the U.S. and a windfall to the Treasury of about \$18 billion in tax revenue.
- Providing another limited window for repatriation of foreign earnings would help U.S. companies retain domestic workers and weather the current economic downturn. This would actually increase revenues in the short-term and any estimated long-term losses can be offset through reductions in improper payments.

#### **EXPAND U.S. EXPORT JOBS:**

Recently President Obama said that increasing U.S. exports by just one percent would create over 250,000 jobs. The independent International Trade Commission has estimated that implementation of the three pending free trade agreements would increase U.S. exports by more than one percent. By failing to act on just the three pending agreements the Congress and the President are preventing the creation of hundreds of thousands of good-paying jobs. Therefore:

**President Obama should submit – and the Congress should quickly approve – these job creating trade agreements.**

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# CONCLUSION

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At the beginning of February 2010, the U.S. Department of Labor announced that 20,000 more jobs were lost in the month of January. This report confirmed that the U.S. economy has lost nearly 3.3 million jobs since President Obama signed the trillion-dollar 'stimulus' into law.

The trillion-dollar 'stimulus' was put together so quickly and so secretly that no member of Congress had a chance to read it before it passed, and it shows. Yet, as poorly conceived and badly executed as the trillion-dollar 'stimulus' was, President Obama and Democrats in Congress still think that Washington is the answer to everything. Democrats' proposed government takeover of health care is already hurting small businesses by causing additional uncertainty and stifling job creation. The dismal performance of the 'stimulus' demonstrates the dangers of allowing Washington to take more control over our economy.

Americans are asking 'where are the jobs,' but all they are getting from Washington Democrats is more government, more borrowing, and more debt piled on the backs of our kids and grandkids. Our economy will ultimately recover, but it will do so because of the hard work and entrepreneurship of the American people, not wasteful Washington spending. Republicans have proposed better solutions focused on helping small businesses create jobs to get our economy moving again.

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# END NOTES

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