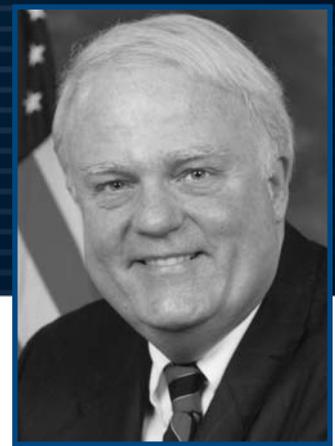


Congressman **Jim Sensenbrenner**

# News From Congress

Number 180 – February 2009



## Economic Lessons Learned

It's no secret that the U.S. economy is experiencing turmoil. As the number of Americans entering foreclosure rose during the past year, major financial institutions began to collapse, and panic ensued on Wall Street. While stock markets and property values remain down and unemployment shoots even higher, many Wisconsinites are facing extreme hardship as they struggle to make payments on credit card bills, utilities, and car and home loans.

Folks in Washington have offered some familiar solutions to these problems -- more Washington control and more federal spending. An unprecedented \$700 billion bailout bill for the financial services industry grew to \$800 billion in taxpayer-funded expenditures before Congress was done with it -- without my support.

It now appears the big spenders know no end. Having already extended \$25 billion in guaranteed loans to the U.S. auto industry, Congress pushed for an additional bailout of the auto makers in December. Although the auto bailout failed to clear the Senate, President Bush and Secretary of the Treasury Henry Paulson agreed to use more than \$17 billion from the Troubled Asset Relief

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## Cap-and-Tax Will Hit Wisconsin in the Wallet

One would be hard pressed to encounter someone who doesn't have an opinion on the issue of global warming. While disagreements abound internationally, in Wisconsin, where we are all too familiar with high heating costs in the winter, my constituents are skeptical of any government-sponsored scheme that takes away any more of their hard-earned money.

President Obama and his environmental team will tell you that their plans to reduce greenhouse gas emissions 80% by 2050 will stop global warming and save the environment. But what they're not telling you is that their plan, which I call a cap-and-tax system, would significantly raise costs on energy. The 'cap' part of the plan is a government-imposed limit on greenhouse gases, a common byproduct created through use of fossil fuels, which are the cheapest energy sources we have. To come in under the cap, companies will have to either buy expensive new equipment, buy credits from other companies that have met the limit, or pay the fine for exceeding their limit. Either way, this plan will result in an increase in your electric and gas bill -- a sort of hidden 'tax.'

Requiring the U.S. to adhere to these cap-and-tax

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*Reminder . . . See back page for schedule of Office Hours & Town Hall Meetings*

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## Economic Lessons Learned

Program authorized last October to assist General Motors and Chrysler.

I do not support these measures as I remain convinced that taxpayer funds should not be put at risk if these companies are unwilling to use every tool available to them already, including Chapter 11 bankruptcy. By filing for Chapter 11, auto makers could continue to operate while they reorganize, much like the 'legacy' airlines did just a few years ago, which has led to a more competitive airline industry. If the auto industry is unwilling to take similar steps, I see no reason why taxpayers should be put at risk for their protection.

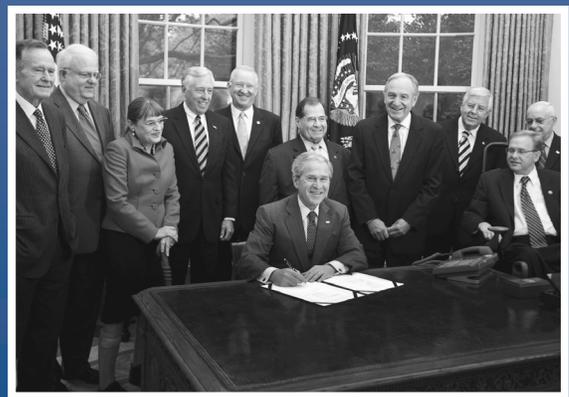
More recently, President Obama has proposed spending an additional \$850 billion of your money on his 'stimulus plan,' aimed at building roads, bridges, schools, and other projects. Infrastructure development is certainly important to long term economic growth, but the wisdom of these extravagant expenses in a time of economic downturn is questionable at best.

The President's proposal is not a new idea. Japan tried something similar to jumpstart its economy in the 1990s and its economy has slowed to a shadow of the growth Japan experienced in previous decades. From the 1950s through the 1980s, Japan enjoyed robust economic growth. As its stock market soared in the 1980s, many observers forecasted that Japan would overtake the U.S. as the world's economic leader by the year 2000. However, Japan's 'lost decade' of the 1990s was marked by government expansion rather than free market solutions. A recession which began in 1991 slowed Japan's ascension as a world economic leader, and a massive government undertaking to develop that nation's infrastructure served only to exacerbate its problems. Although Japan had the world's third highest per capita income in 1991, the Japanese government leveraged its peoples' future for infrastructure. The slow economic growth that has ensued in that country continues to shrink Japan's wealth as nine countries have since surpassed it in this category.

If we do not heed the lessons of history, the U.S. could suffer a similar fate. Higher taxes and more spending at this time will simply exacerbate our nation's problems. Flooding the markets with trillions of dollars from Washington will undoubtedly fuel inflation. I warned our new President in a letter I wrote him in November that over-spending will not solve this crisis. Instead, I urged him to follow President Reagan's example of lowering taxes to spur economic growth.

President Obama has responded to this economic crisis by arguing that we shouldn't worry about the deficit, saying, "The most important thing is that we avoid a deepening recession." But the fact is, our national debt currently surpasses \$10 trillion, and Congress even raised the debt ceiling to \$11.3 trillion in October. The President's proposal would shatter that ceiling, increasing the likelihood that our lenders will begin calling in their loans. While I share the President's desire to avoid deepening the recession, unlimited growth in government and unrestrained spending is not the cure for what ails us -- in fact, it will serve to deepen the crisis.

If our new President will follow the example of Ronald Reagan, I am confident we can emerge from this crisis a stronger, more vibrant nation than ever before. If, however, he follows the big government example of Franklin Roosevelt, we run the risk of a long and sustained economic downturn. Make no mistake, in this scenario, inevitably, our children, and grandchildren, and future generations, will be stuck with the bill to repay -- with interest -- the money the U.S. borrows from countries and organizations like China and the Organization of the Petroleum Exporting Countries (OPEC). The choice is clear. Let's hope our new President chooses wisely.



In September, Congressman Sensenbrenner attended the White House signing ceremony of the Americans with Disabilities Act Amendments Act of 2008. The purpose of this legislation is to restore the intent of Congress to cover a broad group of individuals with disabilities under the ADA, and to eliminate the problem of courts focusing too heavily on whether individuals were covered by the law, rather than on whether discrimination occurred. Congressman Sensenbrenner was honored to stand with his wife, his colleagues, and former President George H. W. Bush, while President George W. Bush signed the legislation into law.

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## Cap-and-Tax Will Hit Wisconsin in the Wallet

rules will strike a crushing blow to our already beleaguered manufacturing sector. This plan will hurt our economy, and potentially kill our manufacturing industry for good by shipping all those jobs to China, India, and other developing nations. The National Association of Manufacturers forecasts that under cap-and-tax, gasoline prices could rise by nearly 150% by 2030, and electricity prices could jump by as much as 175%.

To help push cap-and-tax and other questionable environmental policies, the President has appointed Carol Browner, the Environmental Protection Agency Administrator under former President Bill Clinton, to be his 'climate czar.' In this position, she will be able to push a number of environmental regulations and taxes that will be enormously expensive, but do little to improve the environment.

The people of Wisconsin are already familiar with Ms. Browner's work. As EPA chief, she brought reformulated gasoline to Wisconsin, which simultaneously increased fuel costs while reducing engine performance. Now, re-emerging on the political stage like a re-run of a bad TV sitcom, Ms. Browner appears ready to shove yet another tax increase down our throats -- this was not the kind of change I was hoping to see from the new President.

Last December, I traveled to Poland to observe the latest round of United Nations climate change talks. There, I met with representatives from India and China, who told me that they would not agree to mandatory greenhouse gas emissions. This is the same position these countries maintained during negotiations in 1997 for the now-infamous failure known as the Kyoto Protocol. At the time, the U.S. Senate specifically told President Clinton not to come back with a treaty that didn't include commitments from these developing nations. The Kyoto Protocol didn't, and consequently, President Clinton never even submitted it to the Senate to ratify, leaving President Bush to take the blame for this failure.

After my trip to Poland, I sent a letter to President Obama urging him to find a new negotiating strategy. As the only Representative to attend the climate change conference, I offered to brief him on my observations, responding to his comments to the Bi-Partisan Governors' Global Climate Summit, where he said he would rely on reports from Members of Congress attending the conference. Considering the current state of our nation's economy, higher energy prices are the last thing we need. Unfortunately, I fear the new leadership in Washington may lead us down that path.



Congressman Sensenbrenner meets with members of the American Federation of Labor and Congress of Industrial Organizations (AFL-CIO), while in Poland attending the United Nations climate change conference.

# You're Invited...

I host scores of Town Hall Meetings and Office Hours to provide you the chance to express your views on the issues before Congress or to help you with problems you may be experiencing in dealing with a federal agency. This newsletter includes my schedule of meetings for the next several weeks, and I invite you to attend one or more of them. Whether you need help or not, I hope you'll stop by to say hello and introduce yourself. Please contact my District office if you require special accommodations to attend.

## Office Hours

### Monday, February 2nd

8:30am . . . . . Nashotah Village Hall  
9:30am . . . . . Merton Town Hall  
10:30am . . . . . Merton Village Hall  
11:30am . . . . . Sussex Village Hall  
1:30pm . . . . . Lannon Village Hall  
2:30pm . . . . . Butler Village Hall

### Thursday, February 5th

9:00am . . . . . Wales Village Hall  
10:00am . . . . . Genesee Town Hall  
11:00am . . . . . Dousman Village Hall  
1:00pm . . . . . Palmyra Village Hall  
2:00pm . . . . . Sullivan Village Hall  
3:00pm . . . . . Helenville Fire Hall

### Friday, February 6th

8:30am . . . . . River Hills Village Hall  
9:30am . . . . . Fox Point Village Hall  
10:30am . . . . . Bayside Village Hall  
11:45am . . . . . Saukville Village Hall  
1:45pm . . . . . Belgium Village Hall  
2:45pm . . . . . Fredonia Village Hall

### Monday, February 9th

9:00am . . . . . Jackson Village Hall  
10:00am . . . . . Addison Town Hall

11:15am . . . . . Kewaskum Village Hall  
1:30pm . . . . . Newburg Village Hall

## Town Hall Meetings

**Thursday, February 5th**  
7:00pm Elm Grove Village Hall

**Saturday, February 7th**  
9:00am New Berlin City Hall  
1:00pm Glendale Public Library

**Sunday, February 8th**  
7:00pm Brookfield Public Safety Building

**Monday, February 9th**  
7:00pm Mequon Police Department

**Saturday, February 28th**  
9:00am Johnson Creek Village Hall  
1:00pm Waukesha Public Library

**Sunday, March 1st**  
7:00pm Grafton Village Hall

**Saturday, March 7th**  
9:00am West Allis Public Library  
1:00pm Shorewood Village Hall

**Sunday, March 8th**  
1:00pm West Bend City Hall

**Saturday, March 14th**  
9:00am Menomonee Falls Village Hall  
1:00pm Thiensville Village Hall

**Sunday, March 15th**  
1:00pm Slinger Village Hall

**Saturday, March 21st**  
9:00am Hartford City Hall  
1:00pm Pewaukee City Hall

**Sunday, March 22nd**  
1:00pm Cedarburg Police Department

**Saturday, March 28th**  
9:00am Wauwatosa Public Library  
1:00pm Delafield City Hall

**Sunday, March 29th**  
1:00pm Richfield Village Hall

## CONTACT INFORMATION

**To write about issues or request publications, contact me at:**

2449 Rayburn Building, Washington, DC 20515-4905  
TEL: (202) 225-5101

**To get help with federal agencies, contact me at:**

120 Bishops Way, #154, Brookfield, WI 53005-6294  
TEL: (262) 784-1111

Outside Metro Calling Area: **(800) 242-1119**

E-Mail: <http://sensenbrenner.house.gov/contactform> Website: <http://sensenbrenner.house.gov>

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