

(Washington, DC) - **Congressman Wally Herger (R-CA), Ranking Member of the Ways and Means Subcommittee on Health**, today issued a statement in anticipation of the vote on **H.R. 1, the House Democrats' \$825 billion economic stimulus bill.** The legislation is expected to pass the House this evening and will await action in the Senate. Originally proposed by President Obama as an infrastructure projects and tax relief bill, it was significantly altered by House Democratic Leadership to include numerous special projects. Congressman Herger supported the Republican alternative measure. Herger's comments follow below:

"I strongly oppose the massive new spending included in this legislation. We are currently undergoing a severe economic downturn and Northern California has been badly impacted. I share our new President's desire to move an economic recovery measure as soon as possible. When he met with the House Republicans yesterday, I was impressed with his efforts to reach out to Republicans, but I don't believe that this bill will stimulate the economy and it doesn't offer the long-term economic growth or fast-acting tax relief that America so badly needs. I firmly believe that we can do better.

"I cannot support a bill that claims to provide \$275 billion in tax relief, when \$80 billion of that is going to people with no income tax liability. You can't cut taxes for someone who doesn't pay taxes. This amounts to nothing more than a handout. We can do better by focusing on tax relief that creates incentives for economic activity.

"Nor can I support a bill that spends hundreds of billions on big-government programs. Funding for the National Endowment for the Arts and new cars for the federal government won't stimulate the economy. I support some of the long-term investments in this bill, like promoting health information technology and modernizing our nation's infrastructure. But long-term investments require careful planning. We can do better by taking the time to get infrastructure and health IT right, and by eliminating spending that will do nothing to help our economy.

"Finally, I can't support an \$825 billion bill that won't fully take effect until 18 months or 2 years down the road. People in our district need help today. We can do better by passing fast-acting tax relief that will create jobs this year, plus extended unemployment benefits for people who are out of work. Unfortunately, thus far House Democrats have ignored President Obama's calls for bipartisanship.

“That’s why I supported the Republican alternative. It preserves some of the best features of the underlying bill, like extending increased small business expensing and bonus depreciation, and repealing the onerous 3% withholding requirement for government contractors. In addition, it eliminates hundreds of billions of dollars in wasteful spending and adds fast-acting tax relief to help our economy now. The Republican alternative improves on the underlying bill by extending assistance to laid-off small business employees by allowing all individuals to deduct the cost of their health insurance premiums. And unlike the underlying bill, it cuts taxes for all taxpayers and protects middle-class families from a huge tax increase under the Alternative Minimum Tax. This is real economic stimulus. I will continue to urge members of the Senate to include the commonsense solutions in the Republican alternative that would empower the American people by relieving the tax burden and providing incentives to invest in and grow our economy.”

Background:

More information on the Republican Alternative can be found [here](#) .