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OPENING STATEMENT OF REP. BILL HUIZENGA

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House Financial Services Committee

Hearing on Promoting Economic Recovery and Job Creation: The Road Forward

January 26, 2011

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Good morning, and thank you Chairman Bachus and Ranking Member Frank for holding this important hearing today.

Being a small business owner, I know firsthand that the country is still feeling the effects of the financial crisis from 2008. The economy has been slow to recover, and in turn job creation has lagged. Many Americans are still out of work, and many have simply stopped looking for employment. Spending is at a record high, and because of this, our nation is in major debt, hurting our chances for recovery and prosperity.

In November, the people of America said, "Enough," and called for a new direction. They spoke out in record numbers both at rallies and at the voting booth, calling for us to work together to create policies that will help them get back to work, restore fiscal discipline to their government, and live the lives promised in the great founding principles of our country.

During the last 12 months, the Obama Administration has said that the economic stimulus, the passage of healthcare reform, and the regulatory overhaul of the financial services sector would save jobs and keep unemployment below 8 percent. However, that is not the case. Earlier this month, the Bureau of Labor Statistics reported that the national unemployment rate fell from 9.6 percent to 9.4 percent. That equates to roughly 14.5 million Americans without a job. While this is a staggering number, in my great state of Michigan, the unemployment rate is above the national average at an astounding 11.7 percent and in some areas in the Second District, it is almost double the national average.

Last year, we saw enactment of the Dodd-Frank Wall Street Reform and Consumer Protection Act, which was the largest overhaul of the financial services sector since the Great Depression. According to the Congress Research Service, with its enactment also came more than 300 rulemakings by 10 different federal agencies. As you know, the devil is always in the details and many large and small businesses across the country are anxiously awaiting those details. Not to mention that this regulatory implementation and uncertainty has had a detrimental effect on large and small businesses across the country and small businesses in particular have been reluctant to hire new workers.

Small businesses are the backbone and engine of the U.S. economy and provide more than two-thirds of American jobs. As a small business owner, I know there are some universal principles of successful businesses that Congress could work towards to grow our economy again. First, don't spend more than you're taking in. Second, do what you need to do to create an atmosphere for success. For government, that means creating an atmosphere for success through tax and regulatory environments, and a

cooperative, not adversarial, attitude with those who create jobs. Finally, don't expect miracles. Change requires hard work, self-sacrifice, and tough decisions.

Yet we violate that first principle annually as we spend more than we earn and are dangerously close to doing it on a long-term basis by accruing so much national debt, which is now about \$14.1 trillion. Our GDP, or how much we make, is about \$14.7 trillion. That means we owe nearly 96 percent of what we make. It also means just four percent of our money is really our own. This makes our nation vulnerable to bankruptcy and economic stagnation. But by simply having a plan, starting now, we can avoid this.

We need to create an atmosphere in our country that will foster job growth. Simply put, the private sector, not the public sector, creates prosperity. We don't need more government or a bigger one. We just need our government to focus on accountability, responsibility and oversight.

My hope lies in this new Congress, with so many new members fresh from districts across America, where we got our marching orders in November. The message was loud and clear: Americans understand the stakes are too high to continue down the path we are on. Now we have to figure out how to work together to help them achieve the American Dream promised in the founding principles of our country.

As a member of the 112<sup>th</sup> Congress and a member of this important committee, we must fulfill our promises to our constituents, and we are resolved to undertake the hard work and make the tough decisions necessary to do so. This is truly a critical moment for our country, and it is my hope that we can come together to help this country turn around, so once again our children and citizens may have the full opportunities promised to them.

Mr. Chairman, thank you for holding this important hearing and I look forward to hearing from the witnesses today.