

July 13th, 2011

"I thank Chairman Wolf, Ranking Member Fattah, Chairman Rogers and their staffs for their hard work on this bill. The Majority worked closely with our side to put this bill together, and there were many issues where we were able to reach agreement. I particularly appreciate the Chairman and Ranking Member working with me to ensure that NOAA can meet its obligations under the law for activities to restore populations of fish listed under the Endangered Species Act.

"I have been very skeptical of the "cut and grow" strategy that the Republican leadership has been pursuing, both in its budget as well as in the appropriations bills. It just doesn't make economic sense. Where did this theory come from ... that large cuts in government spending will prompt the private sector to respond with renewed confidence ... and robust hiring, and the economy will miraculously grow. Has it worked in the United Kingdom? Has it worked in Greece? And it won't work here. Mr. Chairman I fear that it would only lead to greater unemployment, a setback in our recovery and slower economic growth.

"The first step along our "cut and grow" path began with the FY 2011 full-year spending agreement, in which we agreed to cut more than \$38 billion in domestic discretionary spending. Since passage, job growth declined substantially, and last month only 18,000 jobs were created. Job losses have been greatest in the public sector, with 87,000 Federal, state and local government jobs cut in just the past two months.

"Long-term deficit reduction is a serious problem, and we should work together here in the House as well as with the Senate and the President to achieve real reductions in the out-years. But as Mark Zandi, the chief economist at Moody's Analytics noted earlier this week, there is a danger in cutting too much too soon. I share his concern that the economy today is too fragile to implement another round of large cuts like those proposed in this bill.

"I also believe it is unwise to propose in this bill the delay or deferral of many planned projects and acquisitions. While this strategy may produce a small savings in FY 2012, it drives up the eventual costs of the acquisition.

"An example is the NOAA Procurement, Acquisition and Construction account, which is funded at \$350 million below the President's request and will significantly set back a number of satellite programs. A similar reduction was made in Fiscal Year 2011, which is leading to delays in the NOAA satellite programs that we rely on for weather data coverage. Cutting the President's budget request yet again in FY 2012 will only increase the delays and is expected to cause a significant gap in our forecasting capability, diminishing our ability to anticipate hurricanes and other natural disasters. Curtailing these critical investments is remarkably shortsighted, especially when lives are at risk. It also increases the eventual cost of these critical investments in future budget years.

"We face a similar situation in the National Science Foundation's Major Research Equipment and Facilities Construction account, which is dramatically underfunded in this bill. The Majority proposes to spend only 44 percent of the amount requested by the President. This is funding for major projects that the government has already committed to and for which initial expenditures have already been made. The proposed cut would result in the termination of about \$100 million in contracts for work in progress on major facilities for environmental and oceanographic research, leading to layoffs of roughly 100 scientific and technical staff and larger impacts at supplier companies. The associated delays in construction would also result in a \$100 million increase in the lifecycle costs of these projects. Again, we would be saving some money now but paying far more over the next few years.

"I regret also that this bill would take a big step back from the Federal Government's partnership with state and local law enforcement. Overall, the funding level for State and Local Law Enforcement Assistance is \$1.75 billion, which is \$1.1 billion below FY 2011 and almost \$2 billion – 53 percent – below the previous fiscal year.

"This bill also eliminates the Office of Community Oriented Policing Services, which was funded at \$495 million in Fiscal Year 2011, including the elimination of the highly successful COPS hiring program. As my colleagues know, COPS programs have been a critical source of funding for local sheriffs and police departments to put cops on the beat and to provide technology and equipment to ensure that they can do their jobs safely and effectively. Eliminating the COPS office and the COPS hiring program now, when so many state and local governments have been forced to cut back their own funding, would lead to more than a thousand fewer cops retained or hired, and it would be a serious blow to public safety in many of our communities.

"I am also concerned about the effects that some of the reductions in this bill will have on long-term job growth. The bill cuts the Economic Development Administration by \$25.5 million below the FY 2011 level and \$67 million below the President's request, substantially hindering

the EDA's mission to stimulate industrial and commercial growth in economically distressed areas. And the bill would provide only a fraction of the amount requested for the Commerce Department's portion of the National Export Initiative, which seeks to spur job growth through increased sales of U.S.-made products overseas. With the unemployment rate above 9 percent, I question the wisdom of these cuts, and I hope we can find a way to reverse them before the adoption of the final version of this bill.

"So thank you Mr. Chairman. I look forward to working with you, Chairman Wolf, Ranking Member Fattah and the members of this Committee to improve the bill as it moves forward."

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