

PRESS CONFERENCE WITH MAJORITY LEADER,

STENY H. HOYER

Tuesday, February 9, 2010

1:09 p.m.

Mr. Hoyer. Good afternoon. All right. First of all, let me announce the schedule, which I usually do at the outset.

The schedule is that we will not be meeting in formal session this week. It is not yet snowing, but the airlines all think that it may be, and so we've -- after consultation with the Speaker and Mr. Boehner, it was clear that Members are unable to get here because the airlines are reluctant to fly here and they are reluctant to get their planes on the ground and get caught here, apparently. So the weather report has been pretty accurate, they're talking about 10 to 20 inches. If that is the case, it is supposed to start pretty soon. Has it started yet?

Q No.

Mr. Hoyer. West of here it has started. In any event obviously it is going to be a lot of snow. I hesitate to say how beautiful.

Q Next week is the recess anyway, so when you are coming back?

Mr. Hoyer. We will be coming back a day earlier than we expected, the 22nd. I've noticed the Members they are coming back Monday rather than Tuesday, which is usually the day you come back after a recess. But we're going to come back a day early. We may meet on the Friday as well.

Obviously we will want to do McCarran-Ferguson on health care antitrust exemption, so there will be full competition and full transparency and we think that is an important thing to do. We are also going to do the Intel Reauthorization. As you know, that was scheduled to be done, so we will do those the week we come back.

Obviously, there are a lot of things we have got to deal with,

including unemployment insurance, COBRA, tax extenders, satellites and a lot of other things.

The Senate may -- the Senate is trying to figure out whether it can garner a quorum for work. Again, I don't know how many of their Members went out of town and can't get back. Anyway, we will see what they do. But we're going to provide for the week that we come back, the week of the 22nd, come back on the 22nd, rather than the scheduled day of the 23rd, and that will be a full week. And we will have to address a number of things prior to the 28th, because the satellite -- the same things that were going to expire before, are going to expire again on the 28th to which we extended them.

As some of you know, and the rest of you will now learn -- I guess all of you know -- we had a bipartisan meeting at the White House. The President invited Mr. Boehner, Mr. McConnell, Mr. Reid, and myself and the Speaker down to the White House and we met for about almost an hour and 45 minutes, I think. It was a full discussion on a number of issues, primarily jobs with the principal focus on where we could reach agreement on growing jobs.

In that respect however, I want to point out to you this graph behind me. And I've got the figures here and I will give you the figures that these represent.

I think it is pretty instructive of the fact that we're going in the right direction, these represent five quarters, starting with November, December, January, which is the last quarter of the Bush Administration, and then February, March, April on into the last

3 months. The last 3 months being obviously November, December, and January. So five quarters.

The last quarter of the Bush Administration we lost on average -- this is the average of the 3 months, 726,606 jobs.

The next quarter, which was the quarter in which in February we adopted the Recovery Act, the next quarter that was reduced that by about 40,000 lost. Not as much as we would have liked.

But the next quarter, that was reduced by almost 300,000, to 398,000.

The next quarter, it was reduced by over 200,000, down to 171,000.

And this last quarter as you can see, we're not where we need to be as I told you. Success is going to be when we are above the line. This is zero, but here we lost on average over the last quarter, 35,000 jobs. Let me remind you we went from average loss, 726,000, to average loss in 5 quarters of 35,000. Again, that is progress. That is 95 percent improvement over the last quarter of the Bush Administration.

We are making progress, but not enough progress. We had growth in one month of 64,000 jobs in November. That was good. Unfortunately, that was not sustained in December and January where we lost jobs in both those months.

So we are discussing, the Senate is now considering and discussing a jobs bill. We sent a jobs bill over, as you know, which dealt with helping the states and also investing in infrastructure. We paid for the nonemergency parts of that bill. The Senate is now considering legislation.

We talked a lot about the President's proposals, one of which was jobs tax credit. There seemed to be -- I don't want to say agreement, but there was certainly on behalf of the economic advisors to the President a thought that the jobs tax credit would in fact have a positive impact on getting this number into the positive job growth area, which we think is very important.

The Jobs on Main Street Act is fully paid for by redirecting TARP funds from Wall Street to Main Street. There was some concern about that, using those dollars for that objective, as opposed to simply stimulating the banks. There is a lot of talk about lending to small business and how we get that going. And there is some disagreement, but there was general agreement that getting lending moving to small businesses was absolutely essential and we were going to allow them to grow and grow jobs. We are going to be working on that.

There was discussion about other elements that the President is proposing, including waiving capital gains tax on investment in small businesses. I think there was general agreement on that as well.

There was then discussion about the commission that the President intends to appoint, which is going to look at the fiscal challenge confronting us and how we get from where we are now to fiscal balance. Many of us feel that is critically important to do. I was for the statutory commission; that failed in the Senate.

I told you last week, 60 percent -- I think in answer to a question, I think I said that 60 percent of the Democrats supported that and 60 percent of the Republicans opposed it, which I thought was

unfortunate. Had we had 60 percent of both parties we would have enacted that. I think we could have enacted it over here.

In any event, I have urged the President -- and others have -- to go ahead and appoint a commission to make recommendations to, make recommendations after the election that would be then considered to get our fiscal house in order.

The President made it very clear that he hopes that Senator McConnell and Leader Boehner would both participate in appointing members that they believed would reflect the views of their party to this commission. And he also is going to configure the commission, as you know, so that a recommendation cannot be made unless it is supported with a bipartisan vote. Because it will take 14 out of 18 and you can't get there with 14 Democrats, because there are not 14 Democrats on the commission. So you need at least two Republicans, preferably more, to make a recommendation.

The Speaker and the Leader have as you know agreed to bring this matter to a vote if in fact the commission makes recommendations. And if the Senate passes those recommendations, the Speaker has agreed to bring those to a vote in the House floor. This is going to be very, very tough.

Now, I want to make a comment here with respect to Representative Paul Ryan. Representative Ryan has made a proposal, significant parts with which I do not agree. However, having said that, it is a serious proposal made by a Member in my opinion who has very sincere objectives in mind and is a substantive proposal. Again, many parts of it I don't agree with.

But that's beside the point in terms of he's put on the table something that ought to be seriously reviewed and debated. And I hope it will be. And I want to -- I admire him for the political courage he has shown in doing that, notwithstanding the fact that there may be disagreement on the substance of what he has done.

Lastly, with respect to health care, I don't know how many of you saw, but an individual insurance company in California, Anthem BlueCross/BlueShield of California, has indicated to their policyholders that they can expect a 30 to 39 percent increase in their policies this year alone. 30 to 39 percent increase. Clearly, it dramatizes the essential aspect of making health care affordable for families and for individuals and for small business.

And as a result we are going to continue to work to try to create bipartisan agreement, and/or if we can't get bipartisan agreement, to pass a comprehensive health care reform bill that will in fact provide access to all Americans to affordable quality health care and in the long run bring down the cost of health care in our country very substantially. And we believe that is our responsibility.

McCarran-Ferguson, which I think we will adopt, I think it will pass, but which will be on the Floor the week we come back, again is designed to create greater competition and prevent collusion and price fixing among companies, and we think that is a step in the right direction. And we were going to pass it as you know this week, but as a result of the circumstances beyond our control, we upon cannot do that until the week we come back on the 22nd.

All right. Let me stop there and go to questions. David?

Q Mr. Leader, speaking of circumstances that can't be controlled -- to get this out of way for everybody -- what kind of feedback are you getting from your office -- I know you represent southern Maryland -- we are getting a lot of complaints about roads, about utilities, about power, things like that. Are you getting complaints in your office and what are you telling people to do?

Mr. Hoyer. Well, first of all, obviously if we get complaints about power outages, we make sure that the power companies know where the power outage is occurring so they can attend to it. In most instances we find that the company already knows that. I had a power outage in my house and there is a number you can call. I called and the computer voice program came back to me and said, you know, where I live, the address, and said "and we already know your power is out. We're attending to it."

And I imagine -- I am not in PEPCO's area. I live here, but I haven't had to call PEPCO because I don't know whether the power went out there or not. It didn't go out last night when I was there.

In terms of snow removal, frankly, in Southern Maryland the roads are in pretty good shape. I don't know how many of you have ridden down in St. Mary's County or Charles County or Calvert County -- I haven't driven in Calvert County myself. But the roads are in pretty good shape. One of the advantages that we have down in the rural areas is that we don't have all the parking on the streets. It is a hellacious challenge to the government to clear roads with cars parked along the streets. And one of the problems is when they do plow so you have a lane, one lane,

they block cars in further.

And so I think we need to make sure that we are acting in the government's, the local governments -- it is a local government's responsibility or State government's -- are acting as effectively as they can, and when they are not, we have to be on them. We also have to recognize that the storm was of historic proportions. Down my way we got about 18 and a half inches, but up here they got closer to 24-plus, some over 30 inches. That is a huge challenge for government to do. And I know they are working hard at it.

It is going to be compounded by -- assuming they are correct -- tonight apparently we're going to get another foot to a foot and a half.

Q Do you see any need for Federal aid at this point?

Mr. Hoyer. There may be. There may be. After all, this is a Federal city. And of course the Federal Government is here. There may be, we will have to look at that. Again, this is of historic proportions. It is the capital city. Of course there is a necessity to get it clean, and they don't have a state highway commission like we do in Maryland.

Q In Maryland states and localities can apply for Federal aid.

Q You said the President brought up the jobs tax credit.

Previously there has been opposition in the House. Are you now agreeable to that?

Mr. Hoyer. I brought that up myself, as did the Speaker. There has been a reticence that the jobs tax credit would in fact be very effective in bringing this number to a positive number as opposed to simply

shifting around tax credit -- nontax credit employees for tax credit employees with no net appreciation of jobs. I brought that up.

The President's advisers and some of the people we talked to, Mark Zandi, who was for the jobs tax credit before, there were others who we talked to who weren't, but there seems to be a sense that there is a -- there may be an environment in which this will really be helpful.

In addition to that, the Schumer-Hatch proposal keys it to net payroll. So that you can't simply -- you don't get a tax credit just for churning jobs, you have to add jobs. I think if we are going to do it that is the way to go. And I think that there were some on both sides of the aisle, however, who expressed some with reservations about that, and there may be other ways. And a lot of things were put on the table, and we will discuss those over the next 14 days when we think we need to move quickly.

Q Mr. Hoyer, what do you make of the Republican leadership's reaction to the way they have dealt with the Ryan budget proposal?

Mr. Hoyer. Who are you talking about "they"? The Republican --

Q The Republican leadership?

Mr. Hoyer. The Republican leadership, Boehner -- Mr. Boehner as I understand when asked what proposal is in the Ryan proposal he supports, he didn't articulate any of them. Is that what you are referring to?

Q Yes, but they also have seemed to shy away from, they call it his proposal as opposed to --

Mr. Hoyer. Well, Mr. Ryan is the Ranking Republican on the Budget Committee. If they were in charge presumably he would be the Chairman of

the Budget Committee. And some of the things he has proposed are controversial. Again, some of them I certainly wouldn't support.

But having said that, I admire him for putting a substantive proposal on the table. I think the Republicans, if they don't support his proposal, let them put something else on the table. The President has a budget on the table. Not on this. The President wants to form a commission. If there's some reluctance to participate in that commission, they ought to come up with proposals.

We have a major challenge in America confronting us. We must get back to fiscal balance. America, the richest country on the face of the earth, cannot sustain the amount of indebtedness that we have incurred over a continuing period of time. Therefore, there is no alternative but to address this issue. And it will not be easy, it will be controversial. The best way to do so is in a bipartisan way. That's the way Social Security was dealt with in 1983. I am hopeful that Republicans and Democrats will step forward to confront it in a bipartisan way. But Mr. Ryan I'm sure is open to proposals.

Q Mr. Leader, based on your meeting this morning and just in the general chatter, do you see any reason to believe that President Obama would be any more successful in getting Republican buy-in on a jobs bill than he has been on health care so far? And if so, why?

Mr. Hoyer. I'm hopeful that there will be.

Q You're always hopeful.

Mr. Hoyer. I am always hopeful, which is why I stay in this business. I'm hopeful because I believe democracy works. The American

public is angry and anxious. They are angry because of the situation in which America finds itself. They are angry because they have not seen us come up with solutions that seem to have made a short-term impact. I think that was probably unrealistic expectations, but it was not an unrealistic expectation to have us working in a bipartisan fashion to get there.

I think we are making progress here. We are still losing jobs. Nobody is patting me on the back saying, "Way to go, Hoyer, you are still losing jobs." You have heard me say that before, you don't blame them for that. But I am hopeful that the Republicans won't simply take the anxiety of the American public as a political opportunity to ensure failure in meeting these challenges and problems. That they will see it as an opportunity to work together to alleviate the anxiety and create a more positive economic environment.

Q Do you see any sign of that?

Mr. Hoyer. I heard a tip of the hat to working together.

Q Mr. Leader, thank you, I wonder can you envision any conversation the President might have with Republicans after a week has passed, a week after next, that would result in a health care bill that Democrats could support? And if not, why should Republicans participate in such a televised discussion.

Mr. Hoyer. Well, let me answer the second part of your question, and then if I'm not complete enough come at me again. Why should Republicans participate? Two Republican Leaders spoke about health care needs reforming. There is no dispute about that. You have heard me say,

every presidential candidate in one way or another, some more definitively than others but in one way or another, said that the health care system has to change. Can't afford it. It's not accessible to everybody. And we need to reform it.

Republicans say they have ideas to do that. Fine. If it's going to be on television and they think the American public will support their alternatives, it would seem to me that is a motivation for them to participate saying: Mr. President, these are my ideas. They had an opportunity to make a substitute, as you know, when our health care bill -- our health care bill included about 35 million, theirs included about 3 million.

If they have better ideas than we do, this is an opportunity for them to come in a forum put together by the President of the United States to say we all agree health care needs reform. We clearly don't agree on how that reform is to be effected. Let us come together and discuss our various proposals and let's discuss them in front of the American people.

The Republicans have been talking about transparency all the time. This is a transparent opportunity for them to put their ideas before not only the President and their colleagues, but also the American people. I would think that ought to be incentive enough if they have confidence in the quality of their proposals.

We ought to have the same confidence to do that, which is why I think we should participate in it.

There, there, and then Max. I've have got to end it. I will get

in trouble. I am already in trouble. I got to Max and didn't go all the way.

Q Thank you. I would like to ask on the --

Mr. Hoyer. Don't make these questions too hard, if you do Katie is going to say: I told you so.

Q Not a hard question. Just your thoughts on the passing of John Murtha and, at the risk of being coldly practical, could you speak to the way forward with filling his leadership role on Appropriations and what happens next?

Mr. Hoyer. First of all, I think -- I put out a statement. Congressman Murtha served his country both in the time of the Korean War and then returned in uniform to the service of his country, was wounded in Vietnam. The first or one of the first -- I think the first Vietnam vet to be elected to the Congress of the United States. Reelected some 16 times, I think, maybe 17 times. And I guess 18 times, was it 19 times -- anyway, by his constituents who obviously believed, correctly, that he worked very hard on their behalf. He represented an area of the country that was for a long period of time very economically challenged and still is today, and was very helpful to his community in growing jobs.

And as it relates to his replacement, my understanding there will be a special election and the speculation is that it will be May 18th, which is the time of the Pennsylvania primary. Governor Rendell I think has 10 days to act on calling a special election. As I understand the way the Pennsylvania process works, they will have a convention of the party to make their nomination. There will not be a primary, there will

just be a general. The primary will be by convention. And we will obviously work hard to hold that seat.

As it relates to replacing him, my expectation is, assuming the system works as it has historically worked in terms of seniority on the committee, within the Appropriations Committee, an extraordinarily able Member of the Congress of the United States, very well grounded in defense policy who served on that committee for over two decades, well over two decades, Norm Dicks of Washington State, presumably if it works as it has worked in the past, will take the Chairmanship of that committee. I believe that he will lead that committee very ably and effectively and will be a very strong voice on behalf of the national security and our men and women in uniform. So I think that the second in seniority on that committee, served a long time, knows the committee very well, worked very closely with Mr. Murtha and I think he will be able to fill that role very ably.

Q Getting back to your meeting and the fiscal commission, when do you expect the members to be appointed when the Executive order is signed? And from the meeting today --

Mr. Hoyer. I don't know the answer to that question.

Q Do you still expect the Executive order to be signed soon? The White House is talking maybe this week.

Mr. Hoyer. No time frame was discussed. I would hope it soon, and would expect it to be soon. Again, the President is very -- made it very, very clear to Senator McConnell and Leader Boehner that he is very hopeful that they will participate and give him names of members on both

sides, the Senate and the House, that will reflect the views for this commission.

Q Is he willing to change the structure of this committee?

Mr. Hoyer. You sneaking in there?

Q Did Mr. Boehner and Mr. McConnell tell him specifically how he could change the proposal to get their support?

Mr. Hoyer. No.

Q Mr. Leader, circling back --

Mr. Hoyer. We discussed it. And there was some discussion. Let me clarify that. Because there was a discussion about specifying what they could deal with. There was no discussion about what that specific would be. So while it was a general -- it was sort of a general, you know, what exactly are you going to deal with, the President's response was clearly what they are going to deal with is all the matters that relate to bringing our fiscal posture into balance.

Max?

Q Circling back to Dave's question, the Federal Government has been closed now for 2 days, probably about to be closed for another 2 days because of this storm. It costs about \$100 million every time the Federal Government closes. What do you think about that? I know that there are going to be a lot of people outside of Washington who think Federal workers, you know, they get these nice cushy days off whenever the weather gets bad. What do you say to the folks like that?

Mr. Hoyer. This isn't a storm of 1 or 2 inches. The problem is not so much when you get out to a main road moving in and out. The problem

is getting out. It is not -- as a matter of fact I live in a rural area. I have a driveway that is a little over a thousand feet long and I have a wonderful guy named Ernest Morgan who lives across the street from me who is a farmer. And he has a wonderful tractor with a blade on the front and a blade on the back and he really takes care of me.

Everybody doesn't have that. And nobody is parked on my driveway. So he gets in and out and it takes him 15 or 20 minutes to do that. If you will talk to me after the Pen and Pad, I'll get a whole itinerary of what Ernest can do for all of you at a reasonable price, I'm sure. We have a number of avenues now that he is going to be on.

You know, as I said, this is a historic -- this is not a a little storm. This is not just deciding that oh, gee there is a little bit of slippery weather out there. It is a major -- if you are just driving down the secondary streets here, there may be a lane, but some cars are buried. Some cars have dug themselves out and having trouble getting back into parking. It is a hellacious challenge for municipal -- for anybody who is charged with the responsibility of clearing these roads.

I think they have done an excellent job in southern Maryland on the main roads. I think they have done a decent job -- one of the problems the further north you get the more traffic you get and the more difficult it is and you get more snow. So yes, it is costly. I think probably John Berry made the correct decision in terms of safety.

You know traffic, this is the second worst traffic in the United States here. And you can imagine when it rains we have a tough time because people slow down and they are worried about skidding and stuff

like that. And that's when all the lanes are open. Now in many of these areas you have one lane where there were three or two lanes where there were four or maybe three, it is a real challenge. It is easy to second guess people. Schools are obviously closed down because they are very concerned about safety of kids getting on buses and getting to the buses. But pretty soon, everybody is going to be stir crazy and they are going to be -- maybe they are now.

Q I've got to ask --

Mr. Hoyer. You had a question.

Q Why can't we sleigh ride down the Hill in back of the Capitol? The cops came out there and stopped the sledders in the back of the Capitol. We have always been able to sleigh ride.

Mr. Hoyer. I don't know the answer to that question. I know there was a resolution to use the Hill for the soap box derby. But who knows? Thank you all very much.

[Whereupon, at 1:45 p.m., the press conference was adjourned.]