PRESS CONFERENCE WITH MAJORITY LEADER,

STENY H. HOYER

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Tuesday, January 26, 2010

11:30 a.m.

Mr. Hoyer. All right. We're in session briefly this week, as you know, made sure by both the Republican retreat and the State of the Union. We will take up suspension emergency aid to American Survivors of the Haiti Earthquake Act, which is facilitating American Haitians coming back to the country. I'm not sure of all the specifics, but that's what's intended. You know last week we did a tax bill so that, I think some of you were with me this morning, so that the '09 contributions -- contributions made in '10, this year, can be counted against taxes due for '09.

Wednesday we'll take up two bills that we should have passed on suspension but we didn't, and so we'll do both of them. One is the Idaho Wilderness Water Facilities Act, which is a bipartisan bill by Congressman Minnick and Congressman Simpson, both of whom represent Idaho, and they'll work together on this legislation. More proof positive of the bipartisan nature of our House of Representatives. We'll also do a bill by Representative Christensen, which, again, should have passed on suspension, was cleared for suspension but didn't pass, so we're having to do it by a rule.

And then we'll have to get off the floor by 5 so that they can do the security sweep. It takes them about 3 hours to get that done, 2-1/2 hours, and then make the floor available for

Members. And then Thursday and Friday, as I said, there are no votes, the Republican issues conference. The State of the Union will be Wednesday night, tomorrow night. I expect the President to be speaking about health care, but I expect him to be speaking mostly about jobs and fiscal responsibility. I've said that in the last few weeks, I said it today at the Press Club and reiterate it to you that I think the President and the administration on my conversation with him indicate that they will be focused very, very keenly on what further actions can we take to promote job creation.

I don't know whether all of you saw the USA Today article which said had we not done the government reinvestment unemployment -- according to the consensus of the economists, that USA talked to some 50 economists -- would have been 10.8 percent or about 1.2 million lost jobs or essentially an additional on average loss of 100,000 more jobs per month than in fact we have lost and we need to get into job creation. I want to reiterate the point I made in answer to a question about when are you going to start focusing on jobs.

The fact is, weeks after the Obama Administration took office we passed the Recovery and Reinvestment, I just told you, it obviously had a very positive effect. It had a positive effect in a lot of ways. Job loss very radically down from an average, I mentioned these figures earlier but I want to reiterate them, an average of about 650,000 per month in the last 3 months of the

Bush Administration to in the last 3 months, last quarter, an average of 69,000 lost.

Now, again, as long as it's negative, it's not going to be positive, which is to say people aren't going to feel good about it. I understand that and that's accurate. But before you get to success you've got to stop failing, and we have essentially gone in a straight line in reduction of loss of jobs. In addition, the stock market has had a little hitch the last few days, maybe related to Bernanke, maybe related to some other things, but essentially has had an upward tick since the passing, shortly after the passing of the Recovery Act, and it's gone up as you've heard me say about 60 percent.

So that's good news. There's more to be done, and I think the President is going to be talking about what more that is. He's already released information that he intends to send down a budget that he's going to effect a freeze on nondefense discretionary spending. Now, that's only about an eighth of the budget. It's about $500 billion. That's not chicken feed, and certainly saving money in that area will be critical. But we're also considering, and the President, I hope, will talk about three things in addition to that. One is a commission that Senator Conrad and Jim Cooper and Mr. Wolf and Mr. Graves have talked about and others have talked about that the Senate will be voting on perhaps as early as today. We're also talking about instituting statutory PAYGO, which was instituted in 1990 which

led to, in part is responsible for the very significant surpluses that were created and reduction of deficits and then surpluses that were created during the 1990s, and then the freeze that the President is talking about.

So we're moving on a lot of different fronts to get a handle on what Americans are very concerned about, and that is indebtedness. We dealt with indebtedness by the banks, we dealt with indebtedness by consumers and homeowners and we need to deal with indebtedness by the government, in this case the Federal Government. The problem is in the short-term if we don't get the economy growing, jobs being created, people getting back to work, revenues increasing, we're not going to get to where we need to be on fiscal balance.

We also had some good news for the first time in, I think, approximately 2 years. The projection of revenues has stabilized not decreased. That is a very good sign because it's a sign that people are, in fact, making money and will be in a position because they're making money to pay a portion of that in revenues to the Federal Government.

So again, stopping the decline was very important, and the most recent statistics indicates that we've done that. The last thing, on health care, let me say, that as you know, we've gotten further on health care reform than at any time in history. One of the reasons for that was in a bipartisan fashion there was a conclusion in the last election that we needed to reform the

health care system. Now, there wasn't a bipartisan agreement on how you did that but there was a bipartisan agreement, because all the presidential candidates talked about it, about the fact of having a system that's twice as expensive as anyplace else and not producing twice the quality as anyplace else.

And let me add we all understand you get the best health care in the world here in America, but accessing it and having it affordable are challenges in our country and around the world. So that the President indicated there were four options, as you heard me earlier today, those of you who were there. One is, of course, to do nothing to say, okay, we haven't been able to get there. I don't think most of us believe that's an option given the challenge that confronts our citizens individually and as families, as businesses. Secondly, to try to do some lesser form of the bill. Thirdly, pass the Senate bill itself. I don't think that's a very viable option.

I think the Speaker is right that we don't have the votes on the House floor for the Senate bill. And the last option that's being discussed obviously is trying to correct the Senate bill when the majority voted, both the House and the Senate, and then passing the Senate bill as corrected or passing the Senate bill with the understanding it will be corrected by another piece of legislation. So those are, there may be other options but those are certainly four that have been discussed. The bottom line is, we have been working this year and last year, and presidents since

Teddy Roosevelt have been talking about how you make health care available to citizens at a price they can afford that will give them security so their families recover if they get sick, and we are going to continue to try to do that.

However, as it was not last year, the first major piece of legislation we passed last year was about jobs, about reinvigorating our economy, growing our economy. The last bill we passed through the House of Representatives was about growing our economy and jobs and helping those who had lost their jobs, so that I would suggest that anybody who believes we were distracted from jobs by health care was not looking at what we did throughout the year. In addition, we believe that health care reform will, in fact, produce more jobs. And as you know, health care is probably the fastest growing sector of our economy. To the extent that you have it operating more efficiently and effectively we think will create jobs, some people speculate as many as 4 million new jobs, over the next decade as a result of passing the new health care reform. All right. Let me stop with that and go to your questions. Chad.

Q You said the President is going to come out and talk about jobs and you talked about jobs here and he doesn't do much on health care. Isn't that the elephant in the room, the fact that there have been, regardless of what the book ends of the year were, how much time was burned and how much energy and how you get yourself out of this cul-de-sac on health care, isn't that the

$64,000 question?

Mr. Hoyer. The $64,000 question is how you get people back to work. I think that's what people are really focused on, and I think that's correct. Clearly, we have been focused on health care, as we focused on jobs both, you say book ends. And we said we do that during the course of the campaign. We are still going to do that. And we moved further than anybody has historically since Harry Truman or even before that. I think the President will speak to health care. I don't want to imply that he's only going to speak about jobs and fiscal responsibility. I think he'll talk about both of those as major items of focus in this coming year. But I mean there are other issues that I mentioned this morning that continue to be. Health care is certainly one of them, energy is one of them, regulatory reform, those are three huge issues that we think need to be addressed as well. But we're going to make sure that our primary objective is getting people back to work and growing our economy because frankly success in the other areas very much are dependent upon on our economy getting back to where we want it to be.

Q But to clarify, you don't expect them to lay out a blueprint on how you get to health care reform?

Mr. Hoyer. I don't know what he's going to specifically say, but I would be surprised if he says specifically exactly how he hopes to get health care done. I do know that, we've all talked about this, in order to get the access and accessibility and to

bring down costs for working families and for businesses, medium, large and small, you've got to have an expansion of the pool of the insureds. Everybody understands that the whole theory of insurance is you spread the risk. And the wider the risk is spread the lower the costs will be for individuals, businesses, families. And so that that is an overall objective that we want to continue to pursue.

Q So you described the four paths that are available for options on health care. To what extent, speaking for the House, would you say lawmakers are waiting for the President and for the State of the Union address to chart some sort of a course?

Mr. Hoyer. Well, I'm sure you wouldn't believe that we haven't talked to the President, notwithstanding the fact he is going to give a speech Wednesday night. If that were the case, you would probably think that that was something that was funny, you wouldn't believe it is probably so.

So they're in discussions. Frankly, we're trying to figure out what is possible. Senator Reid needs to determine what is possible on his side of the aisle, you know what kind of support he can get. And we're trying to figure out as well what we can pass. And there are a lot of different suggestions that you've all written about from many of our members. And we're sort of thinking about all of those, discussing in caucus all of those. We'll move forward. One of the things that I think is clear is that this is a very short week, mainly because of the Republican

retreat, in the House not the Senate. The Senate is seized with the necessity to deal with the debt. The debt, obviously, has the related issues certainly of statutory pay, certainly of the statutory commission, but there are other issues they're considering as well within the ambit of the debt bill.

So they're dealing with that. But I think by next week we need to come to focus on the way we want to move forward. And I think the President's discussion tomorrow night will certainly add to our information we have available to make that decision?

Q Apart from the way forward and the process, you told us all year when we all asked what we asked you about the public option or this or that component of the bill you would always start your answers by telling us about the consensus and your caucus.

Mr. Hoyer. About the what?

Q The consensus and your caucus. Every Member that I speak to, you tell us, wants -- thinks we need to pass some kind of health care reform.

Mr. Hoyer. I think that's true today.

Q You still think that consensus is there that the party has to move forward and pass something?

Mr. Hoyer. I have not talked to anybody who doesn't believe that some form of reform needs to be enacted and should be enacted and is needed to be enacted. Now, you will get, as I said then and repeat now, differences of what that means and how

comprehensive government reform needs to be. But I think that you won't find a Member that says we are not to do anything, just drop it and turn away. There are some that have indicated that, I don't mean in the House, but some places that have reconsidered their position.

Q Since we last talked, nothing has moved on D.C. voting rights at all. The gun amendments are still on the bill with Massachusetts with everybody being very nervous about their own reelection. Is the climate so changed now that that piece of legislation the chief and the President unfortunately said is partisan, has no chance. And I asked you this before, I'm trying to get a definitive answer, if Delegate Norton says, look, all right, I'll take these three onerous horrific gun amendments because I realize I can't move the NRA and I can't move the Members, is it still possible to pass that bill, only six Democrats in the House voted against it in 2007, only one Democrat in the Senate, if you take the castor oil can you move the bill still?

Mr. Hoyer. First, let me say nothing has happened would be incorrect. I mean that was your basic premise. I think there have been a lot of discussions, including, I know Mrs. Norton has been working hard at it and she has talked to me about it and the Speaker about it and she's had a lot of conversations with a lot of people, so I know she's working at it. And we keep in close contact because I want to see the bill passed.

You asked the second question is taking the castor oil. The castor oil obviously is pretty tough stuff for a lot of people. My opinion is an inappropriate addition to this piece legislation should be not on this piece of legislation. We can act individually on that if Congress wants to do that. But having said that, as you know, one possibility was to move it and to take care of that issue later. There were some people in the District of Columbia who thought that was a way forward.

My posture has essentially been if we could reach consensus in the District of Columbia, I'm going to move that bill if I think it can get the votes on the floor with the consensus that has been reached. I have not seen that at this point in time. But, Mark, I want to get this done. It's one of the biggest frustrations for me personally during the course of this Congress. And frankly in previous Congresses, but I haven't been as pointedly involved in trying to get this done.

Q Would it help if the President is moving -- I hate to do this because it seems to miniscule, but at least it would maybe be a show of solidarity if he mentioned -- I know everybody wants a mention in the State of the Union, but would it, moving forward, the petitions that have been dropped, would it help at all or would it make no difference if he lent his own personal support to it in a speech like this?

Mr. Hoyer. Mark, I don't think there's any doubt that the President is for D.C. voting rights. He said it numerous times,

he's voted that way in the Senate, and I've had discussions with him, he's for it. He, like me, is trying to figure out what the leadership in the District of Columbia wants to do and if they're united in their purpose.

Q Do they have to be united?

Mr. Hoyer. Well, I don't mean 100 percent. I don't want you to take united as 100 percent. However, I do -- you know, as a political leader I like consensus. Consensus doesn't mean that everybody says amen. It does mean that most say amen and others are saying, well, if this is the view, okay, I'll be there. And I think that's where the President is.

Q I have a couple for you. Mr. Leader, maybe you could elaborate on two answers you gave this morning. First, on trade, what would it take to get any of these three outstanding trade packages through the Congress. And the second one, I'm not sure I understood your answer on Haiti immigration. You started out by talking about high U.S. unemployment. Did you mean to say that in this climate it's not going to happen?

Mr. Hoyer. If you recall the question, the premise was that there was high unemployment.

Q I was looking mostly at your answers, not just glancing at the questions, I should say.

Mr. Hoyer. But that's why I referenced that.

Q Okay. So what do you think is going to happen on both of those issues in the next few months, especially on Haiti?

Mr. Hoyer. Okay. Well, I'll start with Haiti and then end with trade. You heard my answer. Terrible tragedy, human suffering, moral responsibility to respond in a way that brings relief to people that's been devastated by a natural disaster. You see all these pictures. They're heart wrenching, the miracles that have occurred in terms of people, 5, 6, 7, 8, 9 days into being buried live essentially getting out is wonderful. But the reality is that millions of people literally who were not buried are being very adversely affected by the conditions on the ground in Haiti.

We're there. We're very proud of the effort that we're making. Our hospital ship is jammed, can't take any more people, trying to cycle them, our people on the ground and our National Guard on the ground, A, to keep order, but mainly to distribute humanitarian supplies, food and water in particular, medical supplies as well.

Obviously, any time you have a crisis like this it's tough. Now, the question then -- and I said this morning we facilitated, for instance, some of the adoptions, a very small number, and we have a bill on the floor which is trying to make sure that Haitian Americans can return to the, get into the country and get out of Haiti, assuming they want to leave Haiti. The question was in terms of the controversy surrounding immigration would we be able to do anything with respect to Haiti.

There are no specific proposals at this point in time. Jim

Clyburn heads up our focus on this as the Speaker is asking him to be the point person in the House. And he's looking at a lot of different options of what we can do to be of help. And I would want to talk to him about whether or not this is one issue that we need to address. My thought is, my gut tells me, that if we're talking about short-term that that is something where we can move, but you need to figure out how many numbers we're talking about.

Obviously a question that is asked by anybody, we've got high employment, having people come in with no jobs available, are they going to be in a better spot? Well, they'll be in a better spot that there is food and water available for all of our people here. So I don't want to prejudge what action we will take. On trade, everybody in this room knows that I've said that I would like to see Panama Colombia pass. I'm for passing those. I think South Korea is a little more controversial, I think we need to be, but much more consequential as well. More controversial but more consequential in terms of the size of trade between South Korea and the United States, very, very large.

South Korea is one of our larger trading partners. What we need to make sure is that we have fair trade, in particular automobiles, extraordinary discrepancy, 5,000 versus 700,000 or 7,000 versus 700,000. Korean automobiles sold in the United States about 700,000. 7,000 U.S. automobiles, maybe less sold in Korea. That doesn't seem like a very fair relationship. Whether they're trade barriers or cultural barriers or other barriers it

just doesn't seem like a very fair deal.

So I think that deal is more controversial. Basically, however, I believe that America can compete with the rest of the world if we have a level and fair playing field. And so I'm one of those that believe that trade is helpful and creates jobs over the long run. And I think the President, as I said earlier today, and the trade director, Mr. Kirk, shares that view and has articulated that view. But we've got a lot of issues that we're focused on very controversial. And in a bipartisan way there's bipartisan opposition and bipartisan support for the trade --

Q Mr. Leader, what is the time line, in your view, for completion of a jobs bill and can you describe how much, if any, concern or angst there is in the caucus between the tension between the obvious need to create jobs you have to spend and all of the concern about deficits and whether a jobs bill would be paid for in deficit spending while you're trying to create those?

Mr. Hoyer. As you know, in the jobs bill that we passed, about 40 percent of it was paid for, as I recall the exact numbers, it was about $150 billion and about $50 billion or $60 billion was paid for on which dealt with infrastructure investment and that came out of TARP funds. Some people have been critical what TARP was for financial institutions. Well, that's what a lot of people were angry about. TARP was to bring our economy back. It so happened that financial institutions needed to be stabilized. My view is that TARP money that was put on the

table was for stabilizing our economy. I think investing in the creation of jobs, whether it's infrastructure or retaining jobs at the state level and local level, with teachers teaching and law enforcement officers keeping our streets safe and fire personnel responding to catastrophe, fire or otherwise is something the American people would think is a good expenditure of money put up to get us out of this economic crisis, and timely. We passed a jobs bill through the Senate.

Q But now they're cooking one up.

Mr. Hoyer. Well, that's fine. You know that's the process. They can have a bill, we can have a bill, then we go to conference and resolve the bills. But I would hope that they would move quickly. We've already done a bill and we'll see what the Senate does. Hopefully they'll move quickly. I've said this morning, and I would reiterate, I think the American public is very frustrated by the fact that inaction in the Senate caused by, somewhat by the paralysis imposed upon them by the rules where the majority doesn't rule, where the overwhelming majority -- if I win elections, I said this morning, by 55 percent, pretty much people think I had a pretty good victory. We've got 59 percent in the Senate and people are saying, well, you can't move some things. We ought to be able to move things. I would hope that they can move a jobs bill. I would hope we can come to agreement in the near term. And I want to also point out that there is still, there are still resources that were invested by the Recovery and

Reinvestment Act, which are still coming into the system focused on building jobs as well.

Q Well, Mr. Hoyer, on the issue of --

Mr. Hoyer. I've got to go. Thank you.

[Whereupon, at 12:05 p.m., the press conference was concluded.]