

Members of Congress returned to Washington recently after the late-summer district work period. What those who chose to do town hall meetings heard during that time, and what I heard from Nebraskans throughout the First District during community meetings, were clear concerns about our nation's economic stability. How America's leaders respond to these concerns in the coming weeks and months will say much about Washington's resolve in bringing about lasting economic opportunity and fiscal sustainability.

The challenges are significant; signs of the recession's heavy toll are increasingly evident. The national unemployment rate remains just under 10 percent. A recent report found that the poverty rate had risen over the last year to record high levels with one in seven Americans living below the poverty line. A separate report determined that one in six Americans is now receiving some type of government assistance, also a new national record.

Meanwhile, the federal government is on track to run a \$1.3 trillion deficit this year and holds a debt of more than \$13 trillion. On the heels of massive bailout measures for big banks, the auto industry, state governments, stimulus spending, and an unprecedented public intervention in health care – on top of a large amount of debt accumulated throughout the 2000s - the federal government is simply unable to meet its obligations without significant borrowing. Today the U.S. government borrows about 40 cents of every dollar it spends. Such financial vulnerability creates great uncertainty and threatens both economic and national security.

Also adding to Americans' economic concerns is the uncertainty of tax policy. Earlier this decade, various individual and household tax rate reductions were passed by Congress and enacted into law. These reductions are estimated to save the average Nebraska family \$1,600 per year. Unless Congress takes action, the reductions will expire at the end of the year and the tax rates will increase to previous levels. It is my belief that Washington doesn't have as much of a revenue problem as it has a spending problem — fiscal responsibility is the best course of action.

Perhaps Washington should look to the Heartland for a model of sound fiscal governance. Nebraska's economy is seen by many as a relative bright spot during this period of fiscal duress. Our state continues to have the third-lowest unemployment rate in the nation, and is consistently at or near the top of national surveys of states' financial health and environment for jobs. A national radio program recently asked me what accounts for Nebraska's strength. I responded: "A strong ag economy, small business diversification, and Nebraskans' practical sense regarding responsible lending, finance, and governance." Lawmakers in Washington and in other states throughout the country should take a cue from the third element.

As Congress tackles spending and tax questions in the coming months, I am hopeful that the concerns of so many Americans anxious for meaningful economic recovery and financial stability will help initiate the bold and decisive leadership necessary to achieve it. The decisions ahead for our federal government will be hard and require some sacrifice. Nebraskans know it needs to be done.