

*Congressman to Question Leading Economists at Joint Economic Committee In Order To Help Develop Strongest Bill Possible That Will Spur The Economy and Create Jobs*

*Kingston, NY* - Just days before the upcoming election, Congressman Maurice Hinchey (D-NY) is leaving New York for a day to come to Washington, DC for a critical congressional hearing that will examine the best ways to craft a new economic investment bill to create jobs and spur economic growth in a way that directly benefits middle class working New Yorkers and all Americans. With the U.S. economy in its weakest shape since the Great Depression, the Joint Economic Committee (JEC), of which Hinchey is a senior member, is holding a special hearing entitled, "Faltering Economic Growth and the Need for Economic Stimulus" on Thursday, October 30, 2008 at 10:00am in Room 106 of the Dirksen Senate Office Building. The hearing can be viewed on the JEC's website at <http://jec.senate.gov>.

"From New York to California, middle class working Americans are facing a very unstable job market at a time when the cost of living continues to rapidly rise. It is imperative that Congress passes an economic growth bill that invests directly in the working and middle class to help them navigate these tough times and also creates new jobs and spurs economic growth that will stabilize our economy and get it back on track," Hinchey said. "Congress must also include measures that provide important housing counseling services to Americans in order to help them prevent foreclosures, including renegotiating their mortgages so that they can stay in their homes."

The JEC hearing will come on the heels of the Bureau of Economic Analysis' release of the Gross Domestic Product (GDP) numbers for the third quarter. Preliminary data shows that export growth has stalled while real consumer spending declined in July, and did not grow in August, and retail sales have fallen sharply over the past few months. These data indicate that the third quarter GDP will likely show negative growth and predict even further decline in the fourth quarter. Federal Reserve Chairman Bernanke is finally agreeing with Hinchey and the Democratic leadership in Congress that an economic investment plan is needed and virtually every single economist who has testified before Congress so far has made it very clear that an economic stimulus bill is needed to spark this economy and put people back to work.

One of the reasons Hinchey opposed the Wall Street bailout bill was because it failed to include a job creating economic investment program that would have provided much-needed assistance to middle class working Americans and instead focused solely on bailing out greedy Wall Street executives. Hinchey helped the House pass a job creation-based economic

investment bill last month, but unfortunately President Bush threatened to veto the bill and the measure was blocked by the president's allies in the Senate.

The bill Hinchey is pushing for now is more effective and goes beyond the one the House passed in September. The new bill will be broader in scale to help deal with the nature of the economy, which has worsened since September. The measure would create jobs by making investments in infrastructure projects that build and repair roads, bridges, schools, and hospitals. The bill would also extend unemployment benefits for those who are struggling to find work in this rough economy, ensure that Americans don't lose health coverage as a result of state budget crises, and expand food stamps in order to make sure that no family ever has to go hungry. Hinchey is also urging his colleagues in Congress to include funds for counseling and other services to help homeowners avoid foreclosure and remain in their home.

"As a member of Congress who represents hundreds of thousands of middle class working New Yorkers, there is no place more important for me to be than at this special congressional hearing on Thursday where I will be able to question leading economists on the best ways my colleagues and I in Congress can shape a bill that will stimulate our economy so that it impacts the most people in the best way possible," Hinchey said. "I very much look forward to working with my colleagues in order to pass a meaningful economic growth bill that will put people back to work and help ease the extraordinary cost of living that so many people across New York have been forced to face."

Leading economists indicate that an economic investment bill would create more economic growth than the bill itself costs. For every \$1 billion invested in transportation infrastructure, the U.S. creates 35,000 jobs and up to \$6 billion in gross domestic product. Every \$1 spent on food stamp benefits generates \$1.73 in economic activity. Every \$1 spent on unemployment benefits generates \$1.64 in new economic demand. Every \$1 in general aid to state government generates \$1.36 in economic activity.

The panelists at the JEC hearing will be: Dr. J. Steven Landefeld, Director of the Bureau of Economic Analysis at the U. S. Department of Commerce; Dr. Nouriel Roubini, Professor of Economics and International Business at New York University; Dr. Simon Johnson, Professor of Entrepreneurship at MIT; and Dr. Richard Vedder, Distinguished Professor of Economics at Ohio University and Visiting Scholar at the American Enterprise Institute.