



FOR IMMEDIATE RELEASE  
February 16, 2011

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**Hearing Statement of Senator Max Baucus  
Regarding the President's Fiscal Year 2012 Budget Proposal**

President John F. Kennedy said: "Anyone who is honestly seeking a job and can't find it deserves the attention of the United States government and the people."

Unfortunately, today too many Americans are seeking jobs and having little success. That's why our number one priority must remain creating as many new well-paying jobs as possible.

We have already made real progress in our efforts to save jobs – and create new ones.

During 2010, our economy created more than one million new jobs in the private sector. It was the best year for private-sector job growth since 2006, but we still have a long way to go.

The work to create jobs must continue as we examine the budget for the coming year, and it must continue as the economy continues to recover and we turn to deficit reduction.

For starters, the health care law we enacted last year dramatically reduced the deficit. The non-partisan Congressional Budget Office projected that this legislation will reduce deficits by \$230 billion in the first ten years and by more than \$1 trillion in the ten years thereafter.

Despite that significant step, we need to continue that deficit reduction work with the Administration and our colleagues on both sides of the aisle.

And so today we are joined by Treasury Secretary Tim Geithner who will discuss the President's budget.

We will examine the ways tax, trade and health care policy can create the jobs we need, reduce our deficit and ensure our long-term prosperity.

The President's budget proposal includes a number of tax incentives to encourage job creation.

It makes permanent the tremendously successful Build America Bonds program. In 2009 and 2010, the Build America Bonds program led to over \$180 billion in financing for new projects pursued by state and local governments. And Build America Bonds come at a lower cost per dollar financed than tax-exempt bonds.

These construction projects created new jobs all across the country.

Last year we enacted a number of successful job-creation tax packages, including the HIRE Act and the Small Business Jobs Act. It is my hope that we can build on those successes.

Our ability to create jobs also depends on a smart, thoughtful and aggressive trade policy. The Administration's goal of doubling American exports by 2015 is one important way to create jobs here at home.

Another certain way to create jobs and boost the sale of American goods around the world is to resolve the outstanding issues and approve the pending free trade agreements with Korea, Panama and Colombia. I urge the Administration to resolve these issues promptly, including concerns about access to the Korean market for U.S. beef.

But as we work to implement a trade policy focused on job-creation, I am concerned that the President's proposal to consolidate federal export agencies could impede export growth.

Agencies such as the Office of the U.S. Trade Representative have had great success promoting U.S. exports. This success is precisely because they are small, nimble, and non-bureaucratic. Any potential reorganization must preserve what works, create new jobs, and expand our economy. And the Administration must work together with Congress on this important issue.

The President's budget also ensures the successful implementation of the nation's new health care law.

Giving the law a chance to work reduces rising health care costs for families and businesses. It reduces the deficit by more than a trillion dollars. It strengthens our economy and creates more than 250,000 new jobs. Repealing the new law would eliminate this job growth. Repealing the law would move our economy backwards.

The health care law makes significant progress in creating the jobs our economy needs. But we cannot stop there.

This year, I plan to look closely at ways we can make America's tax code more competitive.

We will continue our series of Finance Committee hearings on tax reform.

We will look at ways to make our tax system as simple, efficient and well targeted as possible. We will look at every deduction and every credit with an eye toward job creation and economic growth.

So as we consider the President's budget today, let us resolve to do all we can to create the jobs our economy needs. Let us work to improve our long-term prosperity. The country is counting on us.

Secretary Geithner, thank you for being here today. We look forward to your testimony.

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