

U.S. HOUSE OF REPRESENTATIVES

NATURAL RESOURCES COMMITTEE REPUBLICANS

CONGRESSMAN DOC HASTINGS, RANKING MEMBER

FOR IMMEDIATE RELEASE
Thursday, June 25, 2009

CONTACT: [Emily Lawrimore](#) or [Jill Strait](#)
202-226-2311

GDP Decreased 5.5% -- but Democrats Poised to Further Decimate America's Economy

"Passing this National Energy Tax right now would be like a doctor telling a sick patient to stand outside in the cold rain. It will only make the problem worse."

WASHINGTON, D.C. - Today, after the [Bureau of Economic Analysis](#) confirmed that the U.S. Gross Domestic Product (GDP) decreased by 5.5 percent from January to March, Ranking Member of the House Natural Resources Committee Doc Hastings (WA-04) issued the following statement regarding how the Democrats' National Energy Tax bill (H.R. 2454) will further decimate America's economy:

"The news that America's gross domestic product definitely decreased by 5.5 percent from January to March should motivate the Democrat Congress to pass bills that will reverse our economic decline and create new jobs. However, instead of helping unemployed families across our country get back on their feet, Democrat Leaders are actually moving forward with a National Energy Tax bill that the [Brookings Institute](#) predicts will decrease America's GDP by an additional 2.5%.

"As our country continues to experience a serious recession and the highest unemployment rate in twenty five years, why are Democrats in Congress preparing to vote to inflict more economic pain upon struggling Americans? Passing this National Energy Tax bill right now would be like a doctor telling a sick patient to stand outside in the cold rain. It will only make the problem worse.

"If they vote for this bill, Democrats will again demonstrate how fundamentally out of touch they are with the millions of families who are struggling to make ends meet. For example, this bill specifically provides more support for wildlife, tropical trees in foreign countries, and foreign aid than for the 2.5 million Americans who the [National Black Chamber of Commerce](#) estimates will lose their jobs as a direct result of this legislation. **Do Democrats really believe that [tropical trees in foreign countries](#) deserve more American dollars than jobless Americans?**

"Republicans have proposed a better way forward that will grow our economy, create new high-paying jobs, protect our environment, and provide affordable energy. The [American Energy Act \(H.R. 2846\)](#) is an all-of-the-above plan that will develop all types of

American-made energy. It promotes renewable energy sources, such as wind, solar, hydropower, nuclear and biomass, while also producing more American-made oil and natural gas. Congress should immediately hold a vote on this bill.”

BACKGROUND

Note: As the [Wall Street Journal](#) reported today:

“The hit to GDP is the real threat in this bill. The whole point of cap and trade is to hike the price of electricity and gas so that Americans will use less. These higher prices will show up not just in electricity bills or at the gas station but in every manufactured good, from food to cars. Consumers will cut back on spending, which in turn will cut back on production, which results in fewer jobs created or higher unemployment. Some companies will instead move their operations overseas, with the same result.

When the Heritage Foundation did its analysis of Waxman-Markey, it broadly compared the economy with and without the carbon tax. Under this more comprehensive scenario, it found Waxman-Markey would cost the economy \$161 billion in 2020, which is \$1,870 for a family of four. As the bill's restrictions kick in, that number rises to \$6,800 for a family of four by 2035.”

#