

CRC Hosts Business Roundtable in Farmville for Congressman Hurt

Talk Focuses on Federal Budget/Spending Issues, Regulation

On February 25, 2011, the Commonwealth Regional Council (CRC) hosted a roundtable for local business and government leaders in Planning District 14 with the Fifth District's new Representative in Congress, Robert Hurt. During his opening remarks, Hurt stressed the need for regional cooperation and commended the CRC for its efforts in that area. He said, "The work that can be done when you work as a region is so much greater than what you can do when you try to do it alone."

Citing the challenges the region has faced over the last 10 to 20 years with the loss of textiles and manufacturing, and the decline in the tobacco industry, Hurt added, "We've all shared those challenges, and I think our future success depends on working together."



Photo by Todd Fortune, CRC

Hurt told those in attendance that the biggest issue currently facing the federal government is getting its "fiscal house" in order. He said the need to reduce deficit spending and the national debt poses a tremendous challenge, and acknowledged that local governments – who must have balanced budgets – know the challenge all too well.

In addressing federal budget cuts, Representative Hurt acknowledged that non-defense discretionary spending – funding for agencies such as Health and Human Services, Transportation, Education, Housing and Urban Development, and Agriculture – accounts for less than 20% of total federal spending. He said Social Security and Medicare are the big items that need to be addressed, saying there are some tough decisions ahead. Asked by someone in attendance whether Congress considers the cause and effect of fiscal policy, Hurt said he does not support "across-the-board" spending cuts, but stressed the need to evaluate and prioritize programs and decide what's important.

Asked about the corporate tax rate in the United States, Hurt said reducing the rate is "critical" for investment and job creation. He said the United States has the second highest corporate tax rate in the world, and has heard that roughly \$1 trillion of capital is "sitting overseas" as a result. When asked about the possibility of new tax incentives for businesses, Hurt said he felt it would be very difficult to adjust taxes in the federal budget at this time due to the current fiscal situation.

Another issue that came up regarding the budget was earmarks. When asked if some other mechanism would be put in place to help localities secure funding for needed capital projects, Hurt said his objection to earmarks was the process not being transparent. He said he will advocate what his constituents see as important, but supports fiscal restraint and said the Legislative Branch should be an equal partner in the budget process.

Hurt also said there was a need for some regulations, but said they should make sense and stressed the need for regulators to work with business. Asked about regulations during the question-and-answer session, Hurt pointed to the Dodd-Frank Bill – which is designed to change how the financial services industry is regulated. He said the new bill would create 5,000 pages of new regulation. Hurt said the House Financial Services Committee (on which he serves) would look at the bill, see what works and what doesn't, and look at re-vamping the bill. He said "Main Street" banks were not responsible for the recent financial crisis, but were being expected to help pay for it. He also said there are better ways to regulate Wall Street. Hurt stated, "You don't tax your way to prosperity," and said he believes you shouldn't punish wealth.

Other topics of discussion

Energy Policy: There was a brief discussion on energy policy, which Hurt thinks that – due to the current unrest in the Middle East, and the resulting rise in oil prices – could take priority soon.

Health Care: When asked what would be done to help self-employed individuals get insurance, especially those with health problems (diabetes, etc.), Hurt said he agrees with the need to expand access and control costs, but doesn't agree with how it was done in the recent Health Care reform law.

Cuts to Community Service Block Grants: When told that these cuts would affect residents who lack indoor plumbing and heating and asked his position on this, Hurt said the government needs to get spending under control and some tough choices would be necessary. He said Congress needs to evaluate individual programs, to see what works and what doesn't. Another person in attendance noted that people depend on government, but said churches and other groups should get more involved in such matters because government can't be expected to do everything.

Education/Workforce Training: Addressing the need for skilled workers, Hurt said the public education system needs to be more accountable when it comes to teaching and training students.



**More than 40 local government and business leaders attended the roundtable discussion on February 25, 2011.
(Photo by Todd Fortune, CRC)**