

Just weeks removed from losing her House majority, Speaker Nancy Pelosi finally made good on her promise to heap tax hikes on the backs of America's struggling small business owners.

Last Thursday, the Democrat-led lame duck House voted 234 to 188 to raise taxes on couples earning more than \$250,000 (and individuals making more than \$200,000). I voted against Speaker Pelosi's tax hike bill. Fortunately, this bill is not likely to advance through the Senate.

Unmoved by the public's November 2 rejection of their failed economic policies, the president and Speaker Pelosi are evidently still convinced that only tax increases and more deficit spending can create new jobs and jump-start our stalled economy. The Obama administration and the speaker have repeatedly called for an end to across-the-board federal tax relief which expires on January 1, 2011, saying the country can no longer afford it.

When it comes to belt-tightening, the president and Speaker Pelosi have failed to lead by example. Over the last two years, they have presided over record high federal budget deficits. They engineered the passage of the \$787 billion so-called "stimulus" and the \$1 trillion health care law, and they now want to raise taxes in a desperate attempt to help pay for their spending binge. With double digit unemployment still gripping much of the country – including South Alabama – what we cannot afford is more deficit spending and job-killing tax hikes.

Let's look at the numbers. According to the Tax Foundation, nearly 40 percent of the president's and Speaker Pelosi's \$630 billion tax increase would fall on the backs of small business owners. Furthermore, the Joint Committee on Taxation says three quarters of a million small businesses would see their tax burden rise under the Obama-Pelosi tax hike.

Frankly, the impact of small businesses on our communities is enormous. Nationally, they employ 90 percent of the country's workforce and in most small towns they are the backbone of the local economy. Just as most of us sacrifice to live within our budgets, so must small businesses. Tax hikes on the heels of a prolonged deep economic recession will force local grocery, hardware, restaurant and repair shop owners to choose between hiring new workers and paying Washington more taxes.

With possibly two more weeks left before the Democrat lame-duck Congress adjourns, there is still time to pass a full extension of tax relief. If Speaker Pelosi maintains her defiance, the new Republican House should make the full tax extension its first priority when it is sworn in on January 5, 2011.

Presidential Reversal on Gulf Oil Drilling:

Months after the permanent closure of the blown-out BP oil well and the administration's lifting of its summer-long deep water drilling moratorium, President Obama has changed his tune on drilling elsewhere in the Gulf of Mexico.

You may recall on March 31 the president endorsed a decision to green-light drilling off much of the East Coast and in the eastern Gulf of Mexico. He said at the time: "...we're announcing the expansion of offshore oil and gas exploration, but in ways that balance the need to harness domestic energy resources and the need to protect America's natural resources."

Last week, he reversed course once again, effectively nullifying his March 31 announcement, and closing the door to further oil exploration in the eastern Gulf of Mexico. Interior Secretary Ken Salazar said the administration's new position was in response to the Deepwater Horizon oil well disaster. However, unlike the Deepwater Horizon oil well, the areas being closed by the administration contain some of the most promising and accessible shallow water resources anywhere. By closing these areas, the president continues the misguided policy of limiting offshore energy development to only a fraction of the Gulf of Mexico and only in deeper and deeper water.

Given the timing of the president's new position, it's hard to escape the conclusion that this is more political than practical. While those of us along the Gulf Coast are among the first to demand enhanced federal oversight over oil drilling operations to ensure that a disaster such as the BP oil spill never occurs again, walling off future energy resources only serves to make our nation even more dependent upon foreign countries and further drives up the price of oil and gas.

Instead, our national energy policy should strive to utilize all our domestic energy resources

while implementing necessary safeguards to ensure that every precaution is taken to prevent future accidents. As we witnessed with the BP oil spill tragedy, industry safeguards were ignored and government oversight was lax. Those areas should be addressed rather than shutting down the remainder of our national oil and gas reserves.

My staff and I work for you. If we can ever be of service, do not hesitate to call my office toll free at 1-800-288-8721.