

The pressure is high and so are the stakes. Federal debt limit negotiations have stalled just as talks are entering the final weeks before an August 2nd deadline. Failure to reach an agreement could impact Washington's ability to borrow more money. However, a deal that simply continues government's overspending and taxing jeopardizes our economic recovery.

Officially, we've already run out of credit. The nation's \$14.3 trillion debt ceiling – the amount that the government is authorized to borrow in order to keep issuing Social Security checks, make timely Medicare payments, and generally ensure the lights stay on in the federal bureaucracy – was reached on May 16. However, Treasury Secretary Timothy Geithner assigned an August 2nd deadline to raise Uncle Sam's credit limit before the government risks default and loses the ability to borrow money at normal rates.

With such a mountainous debt and no serious attempt by the Obama administration to reduce federal overspending, Congressional Republicans have refused to raise the debt limit without ironclad guarantees of serious spending cuts at least equal to the amount of the debt limit increase. Decades of red ink spending got us into this deep hole and more overspending will not dig us out.

For the better part of a month, House Republican leaders meeting with Vice President Biden have put forth a good faith effort to hammer out a framework for federal spending cuts that would exceed the amount of the debt limit increase. Just as it appeared that common ground was within sight, the president's negotiators stubbornly refused to accept any deal that does not include tax increases.

On June 23, House Majority Leader Eric Cantor, R-Virginia, stressed that progress was made in talks with the vice president, but the White House's insistence upon raising taxes as part of an agreement was a non-starter. "I believe that we have identified trillions in spending cuts, and to date, we have established a blueprint that could institute the fiscal reforms needed to get our fiscal house in order." "..There is no support in the House for a tax increase, and I don't believe now is the time to raise taxes in light of our current economic situation," Cantor said.

Most believe, as do I, that we already pay enough in taxes. Government has such a poor record on spending that Americans simply do not trust Washington with additional tax revenues. If Americans must live within their means, so should the government bureaucracy.

While President Obama and Secretary Geithner both warn that America would be damaged by a failure to raise the debt ceiling, just giving them a blank check to conduct more spending as usual could be even more destructive to our country.

As Speaker John Boehner put it, the debt limit talks represent an opportunity for change: "We've got a chance to do something big and we have that chance to do it now. For the sake of our economy, for the sake of the future of our kids and grandkids, this is a chance and an opportunity that we cannot afford to allow to pass."

### **Summer Tourist Season Off to a Good Start:**

Although the official kickoff to the tourist season is Memorial Day, the Fourth of July marks the peak of summer vacation time. This Fourth of July weekend, the beaches are clean, and the weather is perfect for swimming, strolling along the beach and enjoying Gulf seafood.

Recent published reports have indicated sharp increases both in the number of tourists and in summer vacation rentals along the Alabama Gulf Coast. This is welcome news for our entire region which benefits when travelers head to the beaches. It is also a marked contrast to last summer when the BP oil spill turned vacationers away in droves.

According to the Alabama Tourism Department, 4.6 million visitors passed through Alabama's Gulf Coast during 2009. After images of the oil spill were splashed across national TV screens and newspaper front pages, our coastline saw a decrease of one million tourists in 2010.

But there's no reason to stay at home this summer. The warm waves of the Gulf are calling, the white sand beaches from Dauphin Island to Orange Beach are brighter than ever, and the shrimp, red snapper, oysters and Gulf seafood of all kinds are abundant and delicious.

Come on down to the beach to relive those great old memories of your childhood and create new ones with your family.

Speaking of the last summer’s oil spill, I met last Thursday with U.S. Attorney General Eric Holder after he visited Dauphin Island, Gulf Shores and Orange Beach to assess local economic recovery efforts. Mr. Holder reiterated the Justice Department’s commitment to holding Ken Feinberg and the oil spill damage claims process accountable.

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.