

## Economy

Mike's top priority is promoting policies that support a healthy economy and job creation. Since being elected to Congress, he has been a member of the Small Business Committee and the Transportation and Infrastructure Committee because of the important role each committee plays in our economy.

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## Investing in Maine

Mike has fought hard to make sure that Maine gets its fair share of federal investment. For example, he has secured substantial investments in federal research and development at the University of Maine. Some of these investments have gone to projects at UMaine's Advanced Engineered Wood Composites Center, which has created jobs in Maine and promoted valuable research. To see the results of this funding impact on Maine businesses, click [HERE](#).

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## Responsible Federal Budgets

**During**  
Mike's twenty-two years in the Maine Legislature, he worked with his colleagues on a bipartisan basis to write balanced budgets. In Congress, he is member of the Blue Dog Coalition, which is comprised of fiscally responsible Democrats who advocate for reducing taxes and spending, and balancing the budget.

**In the 110th**  
Congress Mike helped enact common sense budget reforms like "Pay-As-You-Go" (PAY-GO) budget rules. PAY-GO requires that all new spending and tax cut proposals show how they will be paid for without increasing the deficit. He has also cosponsored H.J. Res. 45, which proposes a balanced budget amendment to the Constitution of the United States. The constitutional amendment would prohibit expenditure for a fiscal year (except those meant to repay debt) from surpassing total receipts for that fiscal year. Additionally, this resolution would require that the President submit a balanced budget to Congress each year.

**Every**  
American needs to balance their checkbook. Mike strongly believes that the federal government needs to do the same.

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## Northern Border Regional Commission

In 2004, Mike joined an array of economic development experts in writing legislation that would create a commission that would invest federal resources for economic development and job creation in the most economically distressed areas of Maine, New Hampshire, Vermont and New York. On October 4th, 2007, as a leading member of the Transportation and Infrastructure Committee's Subcommittee on Economic Development, Mike passed a bill he authored in the House of Representatives which would create a Northern Border Regional Commission. His bill was later passed into law as a part of the Farm Bill in the early summer of 2008. Mike is currently working with allies in the House and Senate to fund the new commission.

- [Summary](#)
- [National Map of Regional Commissions](#)
- [Map of Northern Border Regional Commission Area](#)

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## Fighting to Strengthen Our Economy

Throughout his time in Washington, Mike has fought tirelessly to strengthen the economy and the overall standard of living for the citizens of Maine. In February 2008, Congress passed, and the President signed into law H.R. 5140, the Recovery Rebates and Economic Stimulus for the American People Act. This "Economic Stimulus Package" put hundreds of dollars into the hands of more than 130 million American families including seniors and disabled veterans through recovery rebates. The bill also increased affordable refinancing opportunities for Americans in danger of losing their homes. While this bill was only the first step in rehabilitating the American economy, Mike has continued to advocate for measures that truly stimulate job creation and investments back into the economy.

Mike has also helped pass in June of 2008, which provided up to 13 weeks of extended unemployment benefits in every state to workers exhausting the 26 weeks of regular unemployment benefits.

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### Providing Tools to Manufacturers

Many of our woes in the manufacturing sector have been caused by our country's flawed overall trade policy. Mike is working hard in Congress to correct this course and steer us back toward a path of domestic job creation. To read more about his efforts on trade, click [HERE](#).

But there are some smart investments that the federal government can make to directly impact the health of our local manufacturing sector. One such investment is in the Manufacturing Extension Partnership (MEP). The MEP provides information and consulting services to help small businesses and manufacturers adopt advanced technologies and business practices that help them compete in a global market. The Maine MEP is responsible for creating or retaining 665 jobs that paid a total of \$21 million in employee wages and benefits, increasing or retaining economic output worth \$73.6 million, and contributing or retaining \$32 million of gross state product.

Mike has successfully worked with a bipartisan group of his colleagues to fight off attempts to cut the MEP program. Today it enjoys wide support and is heralded as one of the more successful economic development and job creation programs in the federal government.

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### Strengthening the Economy through Innovation

## The 21st

Century Competitiveness Act was signed into law on August 8, 2007 and would make major investments in education and job training programs to help encourage America's innovative spirit and strengthen the nation's economic competitiveness. The law, which was passed by the House on August 2, 2007 by a vote of 367-57, will provide training programs for students who want to enter into science, technology, engineering and math (STEM) career paths, create programs to enhance teacher education in the STEM fields, and place highly qualified teachers in high-need schools.

On December 6, 2007, the House passed the Green Jobs Act of 2007 as part of the energy bill, which was then signed into law on December 19, 2007. The measure would help train American workers for jobs in the renewable energy and energy-efficiency industries - industries that are key to U.S. and world efforts to combat global warming. The measure authorizes up to \$125 million in funding to establish national and state job training programs, administered by the U.S. Department of Labor, to help address job shortages that are impairing growth in green industries, such as energy efficient buildings and construction, renewable electric power, energy efficient vehicles, and biofuels development.

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## Financial Markets

The ever-changing events in our financial markets are complex and concerning. As Congress moves forward, Mike will push congressional leaders to take decisive action to promote strong regulation of Wall Street so that something like the mess we are in is never allowed to happen again. Not doing so will result in further abuses and even more damage. Mike opposed the Wall Street bailout bill that was pushed through Congress, and supported an economic stimulus package that would truly help those most affected by the economic downturn. His full statement on the Wall Street Bailout bill vote can be found below.

[Michaud Statement on Financial Markets Bill \(10/3/08\)](#)

"Throughout my time in public service, whether in the Maine Legislature or the U.S. Congress, I have committed myself to truly representing the best interests of my constituents. In examining bills, I look beyond the talking points and the politically heated language that all too often poisons Washington. The legislation on the financial markets bailout was no different.

"The Administration's initial three page plan was short on the details and amounted to an unacceptable power grab. So too was their roll out. What is a travesty, and what panicked the market, was that "the plan" was presented in a way that told Wall Street, the media, every American, and the world that this was the only way to go. It was sold as a do or die choice, which artificially created an unnecessary panic. It was a terrible process that created a near impossible environment for any serious consideration of other plans and ideas on how to address our markets' credit woes.

"I agree that it was necessary for Congress to act swiftly to address the problems of the credit markets. But I also thought that it was crucial that we get it right. The two proposals that we ultimately voted on in Congress were not just unfortunate, they were deeply flawed.

"In the end, Congress did little to change the original White House plan. Instead, leaders in Congress backed a proposal that asked the American taxpayer, who did nothing to contribute to the current credit crunch, to shoulder the burden of the credit crisis by forking over hundreds of billions of dollars to bailout Wall Street firms who got us into this mess in the first place. Congress then actually compounded the failures of the Administration's handling of this crisis by not allowing amendments on one of the most significant bills ever voted on in the history of the Congress.

"In fact, congressional leaders blocked proposals that I believed would have improved the bill. For example, Congress should see if the Treasury Department plan is working to help the credit markets before putting the full \$700 billion on the line. One proposal that would accomplish this would have limited the Treasury Department's spending authority to \$250 billion. Treasury Secretary Paulson himself said that he could probably only spend about \$50 billion each month. Limiting the authorized amount would reduce taxpayer exposure and allow Congress more time to seriously consider the most responsible way forward. I think that this proposal makes a lot of sense, especially when you consider what a Treasury Department spokesperson said when asked where they came up with the \$700 billion amount: 'It's not based on any particular data point.' Unbelievably, the spokesperson went on to say that they 'just wanted to choose a really large number.'

"In addition to the spending amount, we should address the problem of foreclosures, which is at the heart of the current crisis. The provisions in the bill to help homeowners are extremely weak. When you read the fine print, you find language that encourages, rather than mandates, help for

homeowners. Unfortunately proposals to force the Administration to use all their powers to help struggling homeowners were rejected.

"It was unfortunate that these proposals were brushed aside in favor of the Bush Administration's original framework.

"I ultimately voted against the bill for a number of reasons. First and foremost, I believe the bill provides a meaningless check on the White House's ability to spend the full \$700 billion. Though the bill divided spending authority into parts, Congress has no real say in it. More specifically, unless Congress passes, by veto proof majorities in both chambers, a resolution disapproving the Administration's request to spend more, the White House is free to spend. When it's \$700 billion of the taxpayers' money on the line there should be serious accountability provisions included.

"The provisions to pay taxpayers back are little more than fantasy. The legislation merely requires that a future president propose a bill five years from now to pay for the losses incurred by the taxpayers. If repaying the taxpayer was important, there should have been an ironclad repayment provision written into the text of this bill. I do not have faith that Congress, five years from now, will vote to pass a multi-billion dollar tax increase on Wall Street.

"As you read the text of the final bill, it actually recognizes the severe impact this plan will have on future generations. The bill includes a provision that raises our current debt ceiling to an astonishing \$11.3 trillion. The bill even allows for the bailing out of foreign investors, with no guarantee of reinvestment in the United States. Maine taxpayers deserve better.

"Unfortunately, when the House initially rejected the plan, the Senate's answer was to add new spending and tax breaks into the bill, including tax extenders to make wooden arrows for children and excise tax relief for rum from Puerto Rico. These tax extenders are outrageous to include in a bill that was supposed to be devoted to addressing the credit crisis.

"While I

strongly support the tax cuts to help the middle class, the Senate did not even attempt to offset the new provisions' costs.

The sweeteners added to the bill will cost the taxpayers just over \$100 billion on top of the \$700 billion they are going to pay for the bailout.

"At the end

of the day, because the Senate bill did nothing to address the original concerns that I had with the House bill, I voted against it. This was not a vote that I took lightly. Over the past two weeks I sought out

financial experts, economists, regulators, and banks - at both at the national and state level - to get their analysis.

While they were in agreement that action must be taken, they were not convinced that the White House plan was what should be done. In my heart, I hope that it works. But I cannot place my principles on a shelf, hold my nose and vote for such a fundamentally flawed piece of legislation."

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## Economic Stimulus

At the

beginning of 2008, Mike supported the economic stimulus bill that passed Congress and was signed into law. That bill provided tax rebate checks to millions of American families and provided our small businesses with much-needed tax breaks to help them compete and grow.

Since then,

there has been a crisis on the financial markets due to a fundamental lack of regulation and the unscrupulous actions of bad actors on Wall Street. On September 26th, 2008, Mike supported the House-passed Economic Recovery and Job Creation package to provide additional relief to families who are struggling to make ends meet. Unfortunately that bill did not pass the Senate before Congress adjourned for the year.

There has

since been renewed interest in getting something done along the lines of what the House of Representatives passed, but on a larger scale. The Federal Reserve came out in support of a stimulus package and the Administration has signaled a willingness to support one as well. Mike is hopeful that the Congress can reconvene as soon as possible to help those in most need make ends meet. The stimulus benefits of the main provisions are outlined below.



-  
Unemployment  
Benefits -- Stimulus Benefit: Every \$1 spent on unemployment benefits generates \$1.64 in new economic demand.

-  
Food  
Assistance -- Stimulus Benefit: Every \$1 spent on food stamp benefits generates \$1.73 in economic activity.

-  
Infrastructure  
-- Stimulus Benefit: Each investment of \$1 billion in transportation infrastructure creates about 35,000 jobs and up to \$6 billion in additional gross domestic product. More than 3,000 highway projects totaling some \$18 billion could be awarded and started within one to three months according to the American Association of State and Highway Transportation Officials.

- Prevent  
Cuts to Crucial Services -- Stimulus Benefit: Each investment of \$1 in general aid to state governments generates \$1.36 in economic activity. States across the country are experiencing stretched or strained budgets - forcing them to decide between cutting crucial services for residents at the time they are needed most and raising taxes.

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## Fixing Maine's Truck Weight Problem

Mike is currently working with the House Transportation and Infrastructure Committee to promote truck weight harmonization in order to make Maine small businesses and industries more competitive. A change in truck weight policy would reduce the amount of truck on the roads, reduce wear on the roads, reduce fuel use, promote safety, and be good for the environment. To read more about Mike's effort on the truck weight issue, click [HERE](#).

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## A Quick Guide to Resources for Homeowners

### Millions of

Americans are painfully aware of the fact that mortgage foreclosures and delinquencies are at their highest level in more than 30 years. These problems in the mortgage market have seriously strained the overall U.S. economy and are leading many to wonder how they are going to make ends meet.

### Foreclosures

not only affect families that lose their homes, but have serious consequences for surrounding communities. Mike joined a bipartisan majority of his colleagues in helping to pass a bill into law which is aimed at helping people at risk of foreclosure stay in their homes.

The establishment of the Hope for Homeowners program at the Department of Housing and Urban Development (HUD) provides a way for homeowners to refinance into a Federal Housing Administration (FHA) guaranteed, safe and affordable mortgage.

### In order to

help provide more information to Mainers, the House Financial Services Committee put together a resource guide describing help available for homeowners. Outlined below are some suggestions for those seeking more information. While it includes information on the most prominent foreclosure prevention efforts, it is not an exhaustive list or a substitute for housing counseling.

### Talk to your Lender or Loan Servicer of your Current Loan

Your loan servicer is responsible for collecting your monthly loan payments and crediting your account. Speak to your loan servicer about refinancing options, including the federal programs detailed below, state finance initiatives, and any other loan modifications that are appropriate for your financial circumstances. If you require help in identifying the company that handles your mortgage you can use the online resource of MERS® Servicer ID ([www.mers-servicerid.org/sis](http://www.mers-servicerid.org/sis)) or its phone-based MERS Servicer Identification System at 1-888-679-6377. If your lender is not cooperative, talk to a legitimate housing counselor and they may be able to help you with your lender. You can also contact the HOPE hotline at 1-888-995-4673 to speak to a housing counselor and ask for assistance in working with your lender.

### Talk to a Legitimate Housing Counselor

Housing counselors can help you understand your mortgage options, negotiate with your lender and avoid foreclosure assistance scams. If you have worked with a qualified housing counselor, you should

contact them again. If you need help in locating qualified a HUD-approved housing counselor in your area, call HUD's interactive voice response system at 1-800-569-4287. Also, free telephone counseling is available 24/7 from the national HOPE hotline at 1-888-995-4673 or [www.hpfonline.org](http://www.hpfonline.org), which connects callers with counselors from HUD-approved housing counseling agencies. The hotline is operated by NeighborWorks, a national organization which also awards housing counseling grants. The list of grantees and foreclosure resources can be found on the NeighborWorks website at [www.nw.org](http://www.nw.org).

#### Contact State Foreclosure Prevention Programs

Many states have developed programs to help troubled homeowners by connecting them with resources and housing counseling. The Maine State Housing Agency provides information about how to contact a housing counselor in your area on their webpage at [www.mainehousing.org/EDUForeclosure.aspx](http://www.mainehousing.org/EDUForeclosure.aspx).

For those homeowners who suspect that they have been a victim of fraud, misleading information, or other deceptive practices, they should contact the Maine State Attorney General's office at (207) 626-8800 or <http://maine.gov/ag/>. The Attorney General can investigate complaints and sue lenders and other mortgage originators for alleged illegal behavior.

#### Contact the Federal Government About Federal Foreclosure Assistance Programs

Two federal programs (HOPE for Homeowners and FHA Secure) are designed to help homeowners refinance mortgages and avoid foreclosure. The requirements of these programs and more information can be found by going to [www.fha.gov](http://www.fha.gov).

While this is all helpful information, foreclosure rates continue to rise. Mike was disappointed that the financial bailout bill did not require the Secretary of the Treasury to help homeowners renegotiate out-of-control mortgages. Instead the legislation only suggested such action.

#### Foreclosures

and defaulting mortgages are at the heart of the current economic crisis and we need to do more to help homeowners overcome mortgage terms that are overwhelming them. This doesn't require a government handout, but can take the form of government assistance in renegotiating terms to lengthen the time families have to pay back their mortgages and to lower monthly payments. Mike will continue his advocacy in Congress to help make sure that we address the true needs of Maine families and communities.

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## Transportation

From his position on the Transportation Committee, Mike has fought for substantial transportation funding increases in Maine to help boost our economy and improve safety for our citizens. The significant increases Mike was able to secure for our state is generating jobs for thousands of Mainers. It is also providing critical improvements to existing highways, construction of new roads and bridges, and helping to maximize transportation efficiency. All of these make our state's businesses more competitive in the long term. Safe and efficient transportation is vital to the United States' economy, and especially to Maine's economy which depends heavily on tourism and natural resource-based industries. Mike believes that investment in transportation means investment in our jobs and our livelihoods. To learn more about Mike's work on the House Committee on Transportation and Infrastructure, click [HERE](#).

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## Small Business

As a member of the Small Business Committee, Mike has pushed to level the playing field for small businesses. He and his fellow Committee members have promoted policies that open up the federal marketplace to small businesses, promote fair regulations, increase access to affordable start up capital, and update important Small Business Administration programs. To read more about Mike's work on issues important to small businesses, click [HERE](#).

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## Additional Initiatives

## Mike has helped

to pass a number of important bills in the House which would help small businesses, including the following:

- Improving Small Business Lending.

Passed H.R. 1332, Small Business Lending Improvements Act, which provides small businesses with tools to encourage entrepreneurial innovation, including making SBA's 7(a) loans more economical.

- Small Business Investment Expansion.

Passed H.R. 3567, Small Business Investment Expansion, which reforms SBA programs to assist small business owners with obtaining investment capital necessary to start or grow their operations and improves access to venture capital for these entrepreneurs.

- Fairness in Small Business

Contracting. Passed H.R. 1873, Small Business Fairness in Contracting Act, which strengthens small business by ensuring an increased share of federal contracts go to small businesses and limits the ability of federal agencies to bundle smaller projects into larger contracts.

Mike took the lead in doubling the workforce at Limestone's Defense Financing and Accounting Service (DFAS) office when it was threatened with closure during the Base Realignment and Closure (BRAC) Commission process. As the Maine Congressional Delegation fought to save Maine facilities during the BRAC process, Mike took the lead advocacy role on the DFAS facility in Limestone. He helped spearhead the case for the quality of life and low costs that Limestone's location presented, in addition to the hard work, dedication and overall excellence of the Maine DFAS employees. As a result, instead of closing the facility as originally recommended, the BRAC Commission came close to doubling the workforce in Limestone from 352 to 629 employees.

Mike voted and helped pass into law H.R. 3221, the American Housing Rescue and Foreclosure Prevention Act of 2008. The bill is a package of housing measures intended to help families facing foreclosure keep their homes, help other families avoid foreclosures in the future, and assist the recovery of communities harmed by empty homes caught in the foreclosure process.

Mike

cosponsored

and helped pass into law H.R. 6532, which will return to the Highway Trust Fund moneys that were depleted by a recent lack of revenue and an intergovernmental transfer in 1998. The bill filled an \$8 billion gap in the Highway Trust Fund. Failure to enact this bill would have led to a devastating \$14 billion, or 34 percent, reduction in federal highway investment in FY 2009, which would have resulted in the loss of nearly 380,000 jobs.

Mike voted and helped

pass

into law a bill which will help make college more affordable

by expanding student aid by \$20 billion. H.R. 2669, College Cost Reduction and Access Act, which contains the single largest investment in college financial assistance since the 1944 GI Bill, included increasing the maximum Pell Grant by \$1,090 -- to \$5,400 -- by 2012, cutting interest rates in half on need-based college loans, and providing loan repayment for those who enter public service careers.

Congress has also recently passed

into law a number of important tax provisions that Mike has supported.

- Tax relief for military families and veterans. H.R. 6081, the Heroes Earnings Assistance and Relief Tax Act (HEART Act), provides \$1.2 billion in targeted tax breaks to military personnel and their families, including tax relief under the Earned Income Tax Credit, clarifies the availability of recovery rebates for military families, and expands homeownership opportunities for veterans.

- Tax relief for middle-class

families. Passed Senate amendments to H.R. 3996, AMT

Relief Act, which also gives tax relief to middle-class families, including protecting 19 million middle-class families from the Alternative Minimum Tax in 2007. The original version of H.R. 3996

passed by the House had paid for the tax relief by closing certain tax loopholes for the privileged few, such as private equity firm managers. However, due to Republican opposition to ensuring the AMT bill did not increase the deficit, this final version of the bill was not paid for. (Became public law)

- Mike cosponsored and helped pass

H.R. 976, the Small Business Tax Relief Act of 2007 - a revenue-neutral package that would extend critical tax provisions for small business owners. (Passed the House, portions of which were included in H.R. 2206 which became public law)

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