

Congresswoman Laura Richardson  
Testimony Before the House Budget Committee  
March 11, 2009  
210 Cannon House Office Building

Chairman Spratt, Ranking Member Ryan, and Members  
of the House Budget Committee:

I thank you for allowing me the opportunity to appear  
before you today to discuss what priorities are critical to  
California's 37<sup>th</sup> District.

**OVERVIEW**

The 37th Congressional District is:

- Rich with ethnic and economic benefits and challenges
- Located adjacent to the Ports of Long Beach and Los Angeles that facilitates 45% of the nations cargo
- 21% of individuals live in poverty (1 in 5), and an
- Education system unable to offer adequate after-school, tutoring and job training programs

With the sharp downturn in our economy, hard times have come to Americans. The hardest hit are those like many in my district who already prior to this crisis were:

- without a sufficient education
- without marketable workplace skills, and
- already burdened by 13.6% unemployment rates

While California's unemployment (9.3%) **above** the national average of 8.1%, one community in the heart of my District, the City of Compton, is being hit with unemployment **over 18%**.

### **PRESERVING JOBS**

Therefore, my first priority is preserving the jobs already in the 37<sup>th</sup> District, such as the last surviving middle class jobs derived from Boeing's C-17 production facility in Long Beach. Failure to establish an Air Force aircraft needs assessment and long term procurement process will have a detrimental effect of losing over 30,000 jobs nationally and our nation's last military cargo manufacturing site.

The C-17 is routinely utilized in Iraqi and Afghanistan to move critically injured patients to medical centers for treatment and has significantly increased the survivability rate for wounded soldiers. Additionally, the C-17 has served multi-functionally to deliver troops, gun tanks and humanitarian aid with the Tsunami in Thailand, Hurricane Katrina and earthquake relief in Pakistan in 2005 alone.

### **CREATING JOBS**

My second priority is increasing funding for the Workforce Investment Act programs that will play a major role in whether our economy recovers, whether our workforce will compete globally and whether Congress' current actions are merely an insufficient stop gap that will deteriorate and burden Americans for generations to come. Specific job training programs such as Job Corps, YouthBuild, Summer Work, Non-traditional and Dislocated worker employment are critical to ensuring that those living in urban, low-income areas will be able to fill available jobs and make a stable life for themselves and their communities.

## **FISCAL RESPONSIBILITY**

As Congress and the Administration continue to battle an increasing deficit now close to \$500 Billion and projected to climb to over a trillion dollars this year, I recommend the implementation of two financial considerations.

I sit before you today not only as a Member with a series of needs for their District, but as someone with experience with and a passion for budgets. I wish to bring my MBA and 14 years of private sector experience to the table to assist you in your work. In California, I led the effort as Chairwoman, to create a budget oversight committee in the nations 32<sup>nd</sup> largest city that led to establishing sound fiscal policies and the resolution of our two decade old mounting deficit.

Consequently, I solicit your consideration of legislative action that would conduct a thorough “User Fee” study. The GAO, for example, could collect data from respective agencies that evaluated when fee’s were last assessed, and

determine whether those fee's meet or exceed the current cost recovery required to provide that service or program.

When this strategy was utilized in the second largest city in the largest county in the United States, data indicated that the general fund was subsidizing over 25% of its budget with inadequate fee structures. Enacted adjustments both increases **and reductions**, led to millions of dollars in additional revenue that eliminated the structural deficit.

Lastly, while we confront strategies that include cutting waste and inefficiencies from the budget; reform of the Harbor Maintenance Tax must be on the table as well. For years, the federal government has held billions of dollars in the Harbor Maintenance Tax Trust Fund to patch and reduce the size of the deficit. The money is desperately needed for its intended purpose, dredging projects, which in turn will result in economic benefits and fewer impact costs.

As someone who represents a District that sees 45% of the entire nation's cargo pass through its streets, I can tell you that a dedicated nationwide generating and spending federal freight policy is vital to our future economic success. I intend to introduce the MOVEMENT Act to assist in that effort.

Again, I want to thank the Budget Committee for your hard work. I stand ready to support the Committee with nationally beneficial priorities and solutions for consideration that will support what is best for the American people and our economy. Thank you and I am ready to answer your questions.