



U.S. House of Representatives
WASHINGTON, DC 20515

PUBLIC DOCUMENT
OFFICIAL BUSINESS

*This mailing was prepared, published
and mailed at taxpayer expense.*

Paul Ryan
PPSRT STD M.C.

2009 ANNUAL REPORT



on the
**UNITED STATES
GOVERNMENT**



**CONGRESSMAN PAUL RYAN
SERVING WISCONSIN'S 1ST DISTRICT**

ANNUAL REPORT TO TAXPAYERS



*U.S. House of Representatives
Congressman Paul Ryan*

December 2009

Dear fellow taxpayer:

As taxpayers, we are shareholders in the federal government. Therefore, we are entitled to know how the government collects and spends our money. That is why I am sending you this 2009 Annual Report, which summarizes the challenges facing the U.S. economy and the federal government's balance sheet. It is important to consider a number of points as you read this year's report:

- **A Struggling Economy and Mounting Unemployment:** With a national unemployment rate of 10 percent, the economy continues to struggle. Our communities in Southern Wisconsin have been hit especially hard with unemployment rates in some areas as high as 12 percent. And while families have a tougher time making ends meet, overall costs, including health care costs, continue to rise.
- **Soaring Government Spending:** As unemployment levels rise, government spending is now at an all time high. The federal deficit just eclipsed \$1.4 trillion and the Federal debt is on a path to consume resources matching the size of the entire economy. This year, more than half of Federal spending is outside the annual control of Congress—and revenues continue to decline.
- **The Need for Pro-Growth Economic Policies:** Economic growth comes when American families and small businesses work, save and invest. Congress should pass legislation that encourages this by keeping taxes low and controlling government spending. To address this, I introduced "Roadmap for America's Future" (www.house.gov/ryan/roadmap).

I hope you find this Annual Report helpful in taking account of our economic and fiscal challenges and in finding hope in the road to recovery. As always, please feel free to contact me if I can be of assistance to you in dealing with the federal government. I am always happy to respond and be of service to you.

Sincerely,

Paul Ryan

Paul Ryan
Serving Wisconsin's 1st District

CONTACT PAUL AT:

MAIL: 20 S. Main St. #10, Janesville, WI 53545
PHONE: 1-888-909-RYAN (7926)
FAX: (202) 225-3393
WEBSITE/EMAIL: www.house.gov/ryan

Increased Government Spending and Increased Unemployment

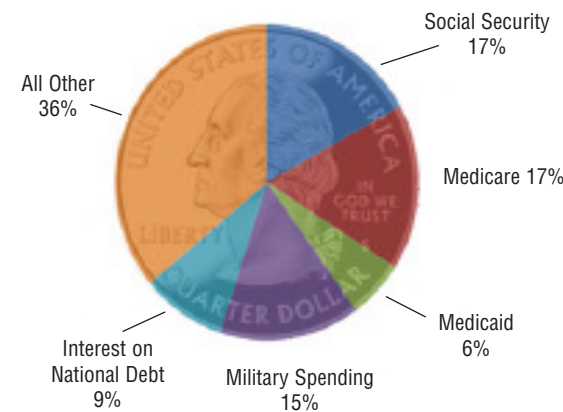
Government spending, the federal deficit and debt held by the public have reached record levels, making it more difficult for our nation's economy to recover.

- Government spending exceeded \$3.5 trillion in 2009, or 25 percent of GDP, the highest level since World War II.
- The deficit is three times the size of last year's (\$455 billion) deficit and is 10 percent of gross domestic product (GDP), the highest level since World War II.

- Debt held by the public in 2009 exceeded \$7.5 trillion—more than 50 percent of GDP—the highest level as a share of the economy in more than 50 years.

Much of this spending was devoted toward “stimulus” spending which was originally predicted to create jobs and prevent a double digit unemployment rate. Since enactment of this legislation, however, unemployment reached 10 percent and more than 3 million jobs were lost.

Composition of Federal Spending—2009



Source: House Budget Committee Minority Staff

To bring government spending under control, I introduced The Spending, Deficit and Debt Control Act, which would, for the first time, establish real, enforceable limits on spending and deficits. It would also require Congress to address the fiscal burdens mounting on future generations; require Congress to set aside funds for emergencies and combat waste, fraud and abuse through the use of the Legislative Line Item Veto.

Small businesses have accounted for nearly half of the more than 7 million jobs lost during this recession.

To address all of these challenges, Congress needs to rein in government spending and the debt crisis and enact immediate economic growth policies that will make it easier for American businesses to create and keep jobs in the United States.

The Challenges Ahead

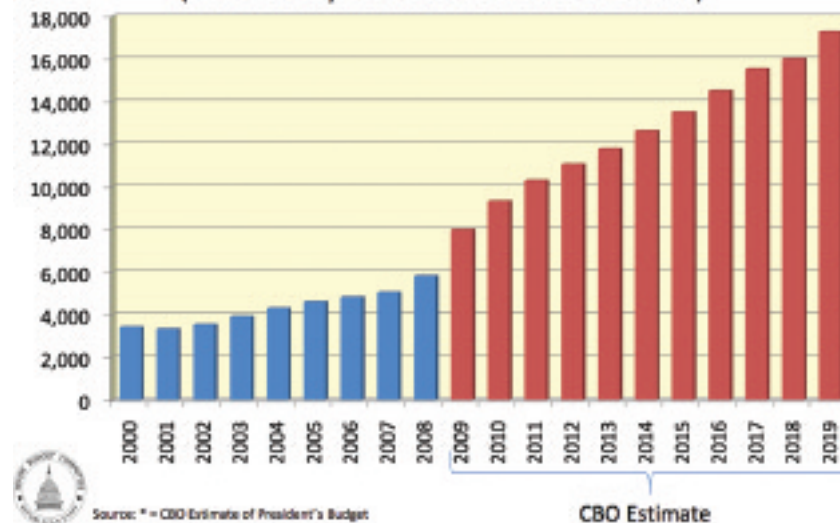
We currently have a troubling policy mix in our country. On the fiscal side, the government is spending record amounts of taxpayer money, producing unsustainably large deficits and adding to our national debt. The Treasury issued nearly \$2 trillion in debt last fiscal year alone and is poised to borrow \$2 trillion more this fiscal year.

Meanwhile, the Federal Reserve has injected an enormous amount of monetary stimulus into the economy and has even purchased longer-term Treasury bonds and other financial assets to keep borrowing rates low. This blurring of the lines between our fiscal and monetary policy is dangerous and could ultimately lead to a bout of inflation. I am focused on this risk because rising prices chip away at the value of workers' wages and savings and are particularly damaging to our seniors living on fixed incomes.

I am also concerned that small businesses, the engines of job creation in our economy, continue to have trouble accessing credit. This small business credit crunch has been one of the key reasons why job losses have been so severe during this downturn.

Tripling the Debt

(Debt Held by the Public in Billions of Dollars)



Source: * = CBO Estimate of President's Budget

CBO Estimate

Statement of Federal Revenues and Expenses

Revenues

	Fiscal Year			
	2008	2009	% of total	% change
Individual income taxes	\$1,145,748,000,000	\$915,308,000,000	33%	-20%
Social insurance taxes	900,153,000,000	890,917,000,000	32%	-1%
User fees, earmarked taxes and receipts	609,294,000,000	700,565,000,000	25%	15%
Corporation taxes	304,346,000,000	138,229,000,000	5%	-55%
Excise taxes and customs duties	94,902,000,000	84,938,000,000	3%	-10%
Miscellaneous receipts	49,647,000,000	51,738,000,000	2%	4%
Death taxes	28,844,000,000	23,482,000,000	1%	-19%
Total	\$3,132,934,000,000	\$2,805,177,000,000		-10%

Expenses

Social Security	\$661,171,000,000	\$731,346,000,000	17%	11%
Medicare	654,353,000,000	713,703,000,000	17%	9%
Military Spending	596,310,000,000	638,419,000,000	15%	7%
Interest on National Debt	451,154,000,000	383,365,000,000	9%	-15%
Treasury (not including interest on debt) ¹	119,090,000,000	371,454,000,000	9%	212%
Administrative and Independent Agencies	221,659,000,000	276,789,000,000	7%	25%
Medicaid	208,326,000,000	258,471,000,000	6%	24%
Agriculture, Energy, Environment, and Interior ²	173,595,000,000	201,800,000,000	5%	16%
Labor	62,203,000,000	142,714,000,000	3%	129%
Veterans Programs	90,923,000,000	101,450,000,000	2%	12%
Education	71,848,000,000	85,171,000,000	2%	19%
Transportation	65,855,000,000	74,085,000,000	2%	12%
Housing	53,062,000,000	63,060,000,000	1%	19%
State and International Assistance ³	53,666,000,000	62,956,000,000	1%	17%
Homeland Security	48,279,000,000	58,096,000,000	1%	20%
Justice and Judiciary ⁴	33,793,000,000	35,357,000,000	1%	5%
NASA	17,840,000,000	19,174,000,000	*%	7%
Congress	4,273,000,000	4,536,000,000	*%	6%
The President	332,000,000	352,000,000	*%	6%
Total Expenses	\$3,587,732,000,000	\$4,222,298,000,000		18%
Deficit(-)/Surplus(+)	(-\$454,798,000,000)	(-\$1,417,121,000,000)		212%

Notes

1. Includes stimulus spending and Troubled Assets Relief Program (TARP) funds.
2. Department of Agriculture, EPA, Department of Interior, Department of Energy, National Oceanic and Atmospheric Administration, and Army Corps of Engineers.
3. Includes Department of State, International Assistance Programs, and Iraq Relief and Reconstruction Fund.
4. Department of Justice, Judicial Branch, and US Tax Court.

* less than 1%

Source: Final Monthly Treasury Statement of Receipts and Outlays of the United States Government for FY 2009, Department of Treasury, October 2009.

Stay Informed

Sign up to receive Paul Ryan's Instant News Updates, keep up to date on Congress and learn about upcoming public listening sessions by visiting Paul's website:

www.house.gov/ryan

