

Dear Friends:

Here's a quick wrap-up from last week. As always, feel free to forward this information to interested parties or use it in newsletters, websites, etc.

The Federal Budget & the Economy

Business groups oppose Obama's budget after supporting Stimulus. [Bloomberg News](#) reports on the many business groups that issued statements criticizing the President's \$3.55 trillion budget proposal, which would raise taxes on businesses to boost domestic spending and lay plans for a health-care system overhaul. Here's more on that from the [Financial Times](#), [The Hill](#), [The Politico](#) the [Washington Post](#), and the [Wall Street Journal](#).

Economic Advisory Board stacked with an interesting cast of characters. The [Washington Times](#) reports President Obama's "newly named Economic Recovery Advisory Board, the real-world Americans being asked to help solve the nation's financial crisis, includes a union executive who took the Fifth in a federal probe, a billionaire whose failed bank pioneered the subprime mortgage market, and deep-pocket donors who gave or gathered nearly \$1.2 million for the president's campaign." In all, "11 of the 16 board members donated or raised money for Democrats in the last election." The advisers "include the president and chief operating officer of the American arm of UBS Investment Bank, the Swiss-based bank now at the center of a widening tax evasion probe by the Justice Department and the Internal Revenue Service."

Labor Agenda

President reaffirms support for the labor agenda. The [New York Times](#) reports President Obama has delighted labor by issuing four pro-labor executive orders. He has also appointed a union-friendly chairwoman to the National Labor Relations Board and named a labor secretary whose parents were both union members. But those changes are bringing concern to American businesses, especially since the President has signaled he will push for legislation that would expand labor's thinned ranks by making it far easier to unionize workers. Here's more on the every growing concerns regarding the Employee Free Choice Act (card check) from the [Minot \(ND\) Daily News](#) .

AFL-CIO to call On Obama Administration to nationalize banks. According to the [New York Times](#), the AFL-CIO's executive council "will call on the Obama administration on Wednesday to speed the nationalization of problem banks to stimulate lending and lift the sagging economy." It becomes "one of the first groups - and certainly the most powerful - to call for moving more aggressively on nationalization."

Investments in Infrastructure

“Deteriorating transportation system the elephant in the room.” In [World Trade](#) magazine, Neil Shister wrote, “The deteriorating state of U.S. transportation systems has been the 10,000-pound gorilla in the room for a long time. As an inside-the-Beltway-type once told me, ‘You don’t get elected by exciting voters about the infrastructure.’ There’s little need to alert readers of World Trade to the problem. If you’re a manufacturer or retailer shipping goods or a service provider moving them from one part of the country (or the world) to another, you already know too well about the declining physical state of U.S. facilities. Highways are badly congested. Railroads require major capital investments as freight volumes increase. Port expansion and modernization has lagged behind global competitors.”

Panel discusses Stimulus funds designated for broadband. According to [CNET.com](#), federal regulators have some critical decisions to make in the coming weeks that could determine whether the \$7.2 billion in stimulus funds designated for broadband will create the optimal number of jobs or be distributed for the greatest use. The stimulus funds will already take too long to distribute, contended some speakers on, but decisions such as whether to withhold the money until new policies are developed or broadband data is collected could make the funds even less effective at creating jobs. Here’s more on that from [IDG News](#).

Health Care

Obama Administration holds health care forum. The [Washington Post](#) reports that President Obama has reiterated his pledge to enact comprehensive health care reform legislation this year, an ambitious undertaking many say is further complicated by the nation’s dismal economy. Here’s more on the forum from the [Los Angeles Times](#), the [AP](#) and [BusinessWeek](#) .

Immigration

E-Verify Battle Shifts To Senate. The [Arizona Republic](#) reports that a number of business groups tried to prevent the program from becoming mandatory nationwide. Angelo Amador, director of immigration policy at the U.S. chamber, says the Chamber supports legislation to extend E-Verify long term but remains concerned that the system is expensive, hurts small businesses, has too much red tape and remains prone to a high number of false negatives - employees initially rejected by the system who later turned out to be legally authorized to work.

Immigration Reform Movement Looks To Children Of Deportees. The [Chicago Tribune](#) reports, “Two years after a sweeping Immigration reform bill failed in Congress, Latino leaders have revitalized the effort, positioning children who were left behind when their parents were deported as the new face of the movement.” The effort, “designed to place pressure on President Barack Obama to make comprehensive Immigration reform a priority,” also draws “upon the growing population of evangelical Latinos who are strong advocates of family values.” The Tribune adds that exit polls indicate Latinos helped Obama “capture key battleground states such as New Mexico,

Nevada, Colorado and Florida,” and advocates now “want him to honor his campaign promise.”

Energy & the Environment

More on cap and trade. In the [Wall Street Journal](#)'s “Political Diary,” John Fund wrote, “Most of President Obama's dramatic budget changes are likely to pass Congress, but expect even many Democrats to question his plan to create a ‘cap-and-trade’ program for carbon dioxide... The scope and ambitious price tag of the Obama program also appear to have united business groups in opposition. Here’s more from another article in the [Wall Street Journal](#) , [CNBC's The Kudlow Report](#) and [BusinessWeek](#) .”

Best,

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