

If the holiday season is getting too festive, sit with me at a House Appropriations Committee hearing with three State Governors about the effect of the economy on state and local budgets.

Last Thursday, Governors John Corzine (D-NJ), Jim Douglas (R-VT), and Jim Doyle (D-WI) testified about massive budget cuts, social disruption, and economic dislocation. It was the policy version of "It's A Wonderful Life," where states and localities are becoming Pottersville.

One of the most prominent prescriptions for America's ailing economy has been infrastructure investments. But during the hearing, Governor Corzine made the following point:

"Unless we help the states plug the hole in their operating budgets, any good we do through infrastructure stimulus will be canceled out by cuts in social services and the safety net.

"To put it another way, you can spend \$400 billion over several years on new roads and bridges, but if the states cut \$400 billion from their operating budgets in the same space of time, we're running in place."

I believe that infrastructure investments are essential to rebuilding America's economy and creating jobs. And, I have cosponsored legislation to create a National Infrastructure Development Corporation. But infrastructure isn't the sole strategy for dealing with a spiraling economy.

The federal government needs to provide expedient relief to state operating budgets. That means fully funding educational programs, reducing state matching requirements for federal grants, and restoring revenue sharing.

We can rebuild our infrastructure and repair state and local budgets at the same time. It's time to listen to our state and local officials and "plug the hole" Governor Corzine talked about.

If we hear and act on their advice, we can craft a bill that will keep local services moving, ensure education doesn't suffer, prevent climbing state and local taxes, and create jobs and revenue to boost our ailing economy.