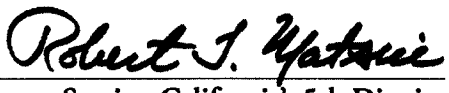
NEWS RELEASE

Hon. Robert T. Matsui

Member of Congress



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DEMOCRATIC LEADERS UNVEIL FRONT-LOADED, FAIR, AND FISCALLY RESPONSIBLE ECONOMIC STIMULUS PLAN

WASHINGTON, DC—Today, Rep. Robert T. Matsui (D-CA) joined Democratic Leader Nancy Pelosi (D-CA), Whip Steny Hoyer (D-MD), Caucus Chairman Robert Menednez (D-NJ) and other Democratic leaders to announce a Democratic economic stimulus plan that will create at least one million jobs, boost the economy quickly, help the unemployed, and assist cash-strapped states – without causing long-term damage to the economy.

The plan, which will cost $100 billion over the next ten years, will pump $136 billion into the economy in 2003. It includes an immediate tax rebate for all American workers, tax incentives for business investment, accelerated investment in homeland security and infrastructure needs, and help for unemployed workers.

"What our economy needs now is an immediate boost that will get people back to work, provide help to those who are hurting most, and benefit the millions of middle-income families whose consumer spending has kept the economy afloat throughout the Bush recession," said Rep. Matsui. "The Democratic stimulus plan is front-loaded so that its entire impact will occur in 2003, and it is fiscally responsible in the long run."

President Bush has released the outlines of a White House stimulus plan that will cost approximately $600 billion over the next ten years, only a small fraction of which will go into effect this year. The centerpiece of his proposal is a tax break on corporate dividends, which most economists agree will have little stimulative impact.

"While we must wait for the exact details of the White House plan, the early reports are not encouraging," continued Matsui. "The answer is not to pass an enormous package of tax breaks to affluent families and corporations that will have a negligible effect on today's economy. The House Democrats have outlined an effective approach to economic stimulus that targets the right people at the right time in the right way to get the economy moving again."

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