

CASTLE STATEMENT ON HOUSE PASSAGE OF ECONOMIC GROWTH PACKAGE -- JANUARY 29, 2008

WASHINGTON, DC – Congressman Michael N. Castle (R-DE) issued the following statement today after the House passed a temporary economic growth package that will help small businesses create new jobs and give relief to middle-income American families:

"It is no simple matter to find an artful mix of fiscal policy solutions that will stimulate the economy yet mitigate inflationary risks. As this legislation moves on to the Senate for further consideration, the House and Administration should be open to other ideas. We also have to recognize that we alone cannot solve an economic slow down. The Federal Reserve will play a major role by setting interest rates and the costs of borrowing at levels commensurate with economic conditions. So some restraint and caution is needed at times like these.

"This stimulus package uses a variety of fiscal policy tools -- some that will have long term benefits like accelerated depreciation, and others that will have a more immediate impact like recovery rebates. I am particularly pleased that the size of loans the Federal Housing Administration can insure is increasing, and the size of loans that Fannie Mae and Freddie Mac can purchase will be temporarily increased. This will benefit homeowners that are in a subprime mortgage and struggling to make payments now or when their loan resets. We have taken some very sound steps here with this bill. Much is at stake here, and we need to move with care and consideration."

NOTE: The temporary economic growth plan that passed this afternoon includes rebates of \$300 to \$1,200 for 117 million American families, as well as \$50 billion in tax relief for small businesses.

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