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# CAPITOL CONNECTION

A Weekly Update of News and Views  
For Opinion Shapers and Policy Makers

**Congressman Gary G. Miller**  
**42<sup>nd</sup> District, California**



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September 30, 2008

Dear Constituent:

As you are aware, our economy is currently facing historic and unprecedented challenges that are posing a clear threat to our country's economic underpinnings. This week as the House considered a financial rescue package to preserve America's overall economy, I faced a difficult vote—probably one of the toughest votes I have made throughout my tenure in Congress. I voted yes on the financial rescue package because I believe the consequences of not acting far outweigh the consequences of acting.

Many of you have expressed opposition to the financial rescue package and are disappointed that I voted for this legislation. However, as your Representative in Congress I always strive to do what is right and best for Americans, even if it is unpopular. Secretary Paulson and Chairman Bernanke have warned that the economy could suffer badly if Congress does not swiftly pass legislation to address the financial markets crisis. Not listening to their warnings proved to be dangerous, as evidenced by the over \$1 trillion loss in the stock markets yesterday. Doing nothing is a gamble, and quite frankly rolling the dice with our economy is not a gamble I am willing to take.

Although I am a strong believer in free enterprise and limited government, the current economic crisis is threatening the economic security of all Americans and demands government action. It is in no American's interest to see the crisis of confidence in the financial markets continue or to witness more dominoes fall in our financial sector. Without prompt, responsible, and comprehensive action, a financial collapse could ensue and would be catastrophic for American families, workers, seniors, communities of all sizes and businesses in every sector. The financial rescue package is not aimed at protecting the greedy and irresponsible fat cats on Wall Street—it is intended to preserve the overall American economy. Without action, the credit crunch would undoubtedly continue and Americans with good credit would have difficulty accessing home, auto, and student loans and small businesses will not be able to access the loans they need to keep their businesses open and their employees paid.

The financial rescue bill was by no means perfect. Under the proposal, the securities the federal government would acquire are secured by mortgages on local property. Rather than permitting the Department of Treasury to dispose of these properties and manage these assets, I believe the financial rescue package should have included provisions to require the federal government to establish local public-private partnerships to purchase these assets in an effort to retain the value of real estate, stabilize communities, and minimize the fiscal impact of the taxpayer. In addition, I believe the Securities and Exchange Commission, in consultation with the Federal Reserve, should revise fair value accounting standards to help bring stability to the financial marketplace. With the current mark-to-market accounting standard, financial institutions are forced to write down their assets and take big accounting losses, thereby forcing these institutions to cut back on lending which ultimately exacerbates the liquidity problem.

Although the financial rescue bill failed to pass, rest assured that I will continue to work with my colleagues in the coming days and weeks to provide a bipartisan solution to the current crisis in the financial markets. Above all else, the solution must protect hardworking American taxpayers and provide adequate oversight. Rather than dwell in the past, we must make sure we recover from this grave economic situation and this never happens again.

Sincerely,

A handwritten signature in black ink that reads "Gary G. Miller". The signature is fluid and cursive.

GARY G. MILLER  
Member of Congress