

Unemployment Insurance Press Conference Remarks

Good afternoon and thank you for joining us here today.

I'd like to thank the Berings for being such gracious hosts.

Congratulations on your family's remarkable history here in Houston.

You represent the thousands of employers across Texas who carry our state's economy on their backs...risking their capital...pursuing their dreams...and creating jobs for our citizens.

Texans who hire Texans drive our state's economic engine.

During these tough times, Texas employers are working harder than ever to move products to market, make payroll and create jobs.

The last thing they need right now is government burdening them with higher taxes and expanded obligations.

The Unemployment Insurance stipulations in the new federal stimulus bill will ultimately increase the burden borne by Texas employers...

...and have a direct effect on people they hire...

...and those they won't hire as a result.

That is why I am here today at a company like Bering's: to stand with Texas employers and the millions of Texans they employ...

...in resisting further government intrusion into their business...

...by opposing the federal government's push to expand our state's unemployment insurance program.

Changing the Texas terms of unemployment will not only cause employers to change their hiring practices...

...it will also increase their tax burden for years to come...

...leading to higher-priced products...

...and hindering their ability to overcome the current economic challenges.

The math is simple: employers who have to pay more taxes have less money to meet their payroll...

...hire new employees...

...and grow their businesses.

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If Washington really wanted to help and respect our rights as a state, they would send dollars from the Federal Unemployment Account with no strings attached, like they did in 2002.

Instead, Washington is using this bill to force our legislators to enact policies that they have repeatedly rejected as wrong for Texas.

Again and again, we hear that the purpose of the federal stimulus legislation is to create jobs...

...but this portion of it will actually slow job creation.

I understand that the national economy is in a tough spot...

...and I feel for our Texas families that are directly experiencing the effects...because a breadwinner lost a job.

As governor, I represent all of our citizens:

...Texas workers...

...the employers who create their jobs...

...as well as those folks who are looking for work.

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If you are an unemployed Texan, and lost your job through no fault of your own, our state's unemployment system has covered you and will continue to help all Texans who are pursuing a full-time job.

In fact, we have already accepted increased funds from Washington that had no strings attached that will provide an increase in benefits through the end of this year.

My focus has been, and continues to be, cultivating an environment that creates more of those jobs for Texans.

That is why I am so concerned about the belief that has gained a foothold in our national consciousness...

...that the best and only way to solve our nation's problems...

...is to drown them with taxpayer dollars.

The calls to "take the money now and deal with the consequences later" are deeply troubling and, quite frankly, irresponsible.

Texas leaders are obligated to address the current economic situation...

...while looking to the future...

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...and remembering the lessons of the past.

We cannot forget that Texas overcame a \$10 billion deficit in 2003 because we decided to reduce government spending...

...not increase it.

By freeing up employers to succeed in the marketplace, we also freed them to create more than a million Texas jobs over the past six years.

Our host today is a great example of the challenges facing employers across the state...

...as they navigate the current economic situation.

A longtime pillar of the community, Bering's employs about 170 Texans between their two locations...

...in both full-time and part-time capacities.

The proposed federal guidelines, that would change the definition of unemployment, will leave employers like them on the hook when the federal dollars dry up...

...leaving Texans with fewer job opportunities...

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...and consumers paying higher prices.

The strings attached to these federal funds could very well strangle an economy that leads the nation in exports and Fortune 500 companies...

...doing far better than most other states.

That is a consequence that I, in good conscience, cannot allow.

This issue is not an abstract discussion...it affects people's lives.

My office has received hundreds of letters from our citizens on the issue...and the majority support my conclusion.

They are Texans like a small business owner from Katy whose comment echoed many business owners:

“Texans would be exchanging a short-term relief package for a long-term burden. Think of it as a payday loan with [exorbitant] rates to be paid by employers...one which would never be paid in full.”

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I especially liked the way Brent from Frisco got to the point, writing:
“You protect our borders and maintain infrastructure. I’ll build the business and create jobs.

I have a kindred spirit in the woman from Weatherford who wrote:
“No matter how difficult the times are, Texans will come together and rise above any challenge. I hope you will not take what appears to me to be a quick fix leaving us with more federal rules, regulations and penalties.”

The majority of our citizens believe that taking stimulus dollars with these strings attached is not worth the trade-off.

I agree with them.

Because Texans prefer a paycheck over an unemployment stipend, we will continue to cultivate an economic climate that decreases burdens on employers...

...attracts investment...

... and creates jobs for Texans.

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This will give our state the best chance to succeed in the months and years to come.

I would now be happy to answer questions on this decision from our friends in the media.

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