

**United States Senate  
Democratic Policy Committee Hearing**

**“Is the Bush Economic ‘Stimulus’ Plan Effective, Fair, and  
Fiscally Responsible?”**

**Statement of Kevin Douville**

January 21, 2003

My name is Kevin Douville, and I am here today to offer my perspectives as an ordinary taxpayer on the president’s economic stimulus plan.

Like so many others, the economic downturn has had a negative impact on my life. Last November I was laid off from my job as a web designer and programmer for High Technology Solutions. With my company—which contracted with the military to provide technological services—I worked on a web site that helped army personnel find new housing when they are reassigned. My company lost the contract and I was let go. Since then I have been sending out resumes and looking for a new job, but the high tech sector has been particularly hard hit, both in Northern Virginia where I live and nationally.

When I moved to the area three years ago and was looking for a job, I spoke with many potential employers and temp agencies. In my current job search I am lucky to get a postcard back letting me know that they received my resume. It has even been difficult to get an interview with a temp agency. Of the ten or more I contacted, only two would speak to me in person. And I am someone with five years’ experience working on web sites and the Internet, with a proven track record in both the public and private sectors. So I’m the kind of person employers are looking for. This sector is so hard hit that even my former manager, whose job includes finding new work for the company, is in danger of losing his job.

In order to meet my financial obligations, I have been working for a temp agency and receiving unemployment benefits. The \$368 that I receive for the weeks when I cannot find temp work represents a dramatic cut in pay compared to my previous salary, which was about \$70,000 a year. I own a condo in Arlington, Virginia and my mortgage payment and fees alone run me around \$1,300 a month. And this is for a small, one bedroom apartment, with only 800 square feet.

The tax cut that President Bush is proposing this year would not do much for me. I am not one of the “right people” to receive any special tax breaks. Under the Bush plan, single people like myself do not get special consideration, despite the fact that we have to bear our own expenses and, when laid off, have no one to turn to for support.

If I have to finish out the year temping—and receiving unemployment until it runs out—I can expect to earn about \$40,000. At this income level, my tax savings under the Bush plan would only be about \$50.

If I succeed in my job search and find work that pays me as much as I earned last year, the Bush plan would provide me with a tax reduction of about \$500. This wouldn't make much of a difference in my life. When I learn that millionaires will receive tax cuts of \$90,000 under President Bush's plan, I know that the plan wasn't designed for a middle-income person like myself.

From my point of view, what I really need from Congress is not changes in my tax status. What I need is a growing economy that would help me find a job now. While Congress is debating various plans, the clock is ticking on my unemployment benefits. I say this even though I hate being in a situation where I have to receive unemployment checks. I would prefer to be out there earning my money, supporting myself on my own and contributing to the economy.

Looking down the road, I am alarmed by the almost overnight return to deficit spending. I'm no fan of taxes, but I am less of a fan of government borrowing. I think that large deficits would do more harm to the economy. We need an economic stimulus right now, but not one that will just create a worse problem down the road.

For years I've heard about the coming crisis in Social Security and Medicare, and I don't want the government to do anything that would worsen that situation. As a member of the generation after the Baby Boomers, I'm concerned about what will be left of Social Security for me and my generation when we retire. I don't want Congress to do anything that would jeopardize us even further.

In closing I would like to thank the Senators and representatives serving on this panel for the opportunity to speak with you.