

**Rep. Ann Kirkpatrick**  
**Budget Committee Testimony**  
**Wednesday, March 11, 2009**  
**Cannon 210**

Mr. Chairman and Members of the Committee,

Thank you for this opportunity to be here today and to speak to our Budget priorities. The district I represent spans more than 58,000 square miles and contains an incredible diversity – both of climate and culture. There are common connections between the dozens of rural communities that I represent, and that is what I want to focus on in our discussion about the Budget for 2010.

The first thing that unites my district is concern for our security. Particularly in the Southwest, violence on the U.S. and Mexican border is of utmost concern. Though the worst of the violence has so far occurred on the Mexican side of the border, it remains a daily threat to our communities and related criminal activity has already been documented hundreds of miles from the actual border.

I strongly support the President's proposed increase of \$400 million for Immigrations and Customs Enforcement – or ICE – efforts to identify and remove immigrants who have broken our laws. However, this funding must not come at the expense of other ICE priorities, such as dealing with the pressing problems at our border.

In addition to important funding for Homeland Security, our local law enforcement – including the men and women who face the consequences of increased violence near the border – need our help. I support the proposal to hire an additional 50,000 police officers, and I strongly support sustaining the resources our local communities need to keep these officers on staff.

The second common tie across the communities I represent is concern for our Nation's Veterans. Folks in my district are acutely aware of the great service our Veterans have offered us and are very mindful that we respect them accordingly. My district is home to one of two Veterans Hospitals in Arizona, and in our region – like in any rural area – access to medical and other benefits is a top priority for Veterans and their families.

As a Member of the House Veterans Affairs Committee, I have followed closely the Independent Budget, a set of Budget and program recommendations assembled by the leading Veteran's Service Organizations. For the first time ever, the VA's discretionary resources in this proposed Budget will exceed the amount recommended by the Independent Budget. That is no small feat.

However, I want to be clear about my opposition to a concern raised both by my constituents in Arizona and in a recent Veterans Affairs Committee hearing. I strongly oppose any proposal that would allow the VA to bill a Veteran's private insurance for treatment of a service-connected disability. Though I have not seen details of such a proposal in this Budget, I cannot stress how devastating this would be for Veteran's and their families in my district and across the country.

Finally, I want to touch briefly on the small businesses that are the economic engine of our country. In the rural areas of Northern Arizona, every business is a small business. And I am committed to helping those small business owners succeed, especially in this difficult economy, when every bit of help is needed.

More than ever, our small businesses need help accessing the capital that allows them to thrive. Fully funding programs like 7(a) loans through the Small Business Administration and reducing fees that increase the cost of loans can only help our rural economies that depend on family-owned small businesses.

I strongly support proposals extending the elimination of the capital gains tax for small businesses and addressing the Estate Tax, which would otherwise dramatically increase in 2011. Proposals such as these move us toward a fairer, simpler tax code – something we sorely need.

But I am opposed to Budget proposals that will increase taxes for small business owners and working families. We need a responsible Budget, and one that gets us closer to eliminating the deficit, but not at the expense of working Americans.

Thank you for your consideration of my testimony. I look forward to working with the Budget Committee as work continues.