

---

***In This Issue:***

- Did Congress Do the Right Thing on Wall Street
- Miller/Wenhold Gives Back
- From St. Paul to the White House
- Wall Street and Main Street Hit Hard
- McCain v. Obama
- Alaska's Sarah Palin
- Senate Passes Massive Bailout Bill
- The Big Ten-Big Universities, Big Politics
- On the Ground

---

**Did Congress Do the Right Thing on Wall Street**

The past two weeks have been very nerve wrecking for all of us in this country who run businesses, need to make payroll, need to pay mortgages, and need to pay car loans. We heard a week ago how our financial system would collapse if Congress didn't get Secretary Paulson and the Administration a blank check to bailout Wall Street with no assurances the tax-payer wouldn't be holding the bag for bad decisions and what I believe are illegal moves made by some for profit.

I applaud Paul Ryan and others in the House of Representatives who went to bat for all of us to ensure this package doesn't add an additional tax burden on all of us. I realize the package hasn't passed yet, but signs from Capitol Hill are that it will now that quite a few new assurances have been made to make sure tax-payers are protected.

Part of me says let those who made bad decisions pay the price for it and not bail them out. Last time I looked no one was prepared to step in if I lived beyond my means or made horrible decisions when it came to buying more home than I knew I could afford. On the flip side of that, I am concerned that this feeling, which I believe is being felt by most Wisconsinites, will impact all of us eventually. If Congress does nothing I do believe it will trickle down where it affects all of us regardless.

I do support adding an AMT fix for middle-income families, which are hit by this unfair tax. I do support ensuring that golden parachutes for CEO's who got us in this mess are taken away. I do support ensuring that the FDIC limit is raised from \$100,000 of protected investments to \$250,000. This move will help small businesses and families ensure their retirement are protected.

So, from this perspective I support what Paul Ryan and Congress are trying to do. There are no guarantees that this legislation will fix the problem, but I do Believe the experts when they say if Congress does nothing we will see a collapse.

---

Continued from page 1

It doesn't mean this shouldn't make us sick to our stomachs that we have gotten this far. It's no secret that this could happen and yet no one in Congress or the Administration did anything about it until it was too late. This tends to be how we do things in this country. Let the good times roll until we hit a crisis.

I guess as a tax-payer and voter I would ask everyone serving in Congress the question why can't we all come together to fix all the problems we face as a country? Why does it take a crisis like this for everyone to say we need to put partisan politics aside?

It might just be me, but I have not heard either of the Presidential candidates really give us specifics to how this bailout won't force our taxes to go up. During the first Presidential debate both candidates were asked what programs they propose would need to be put on hold if this bailout occurs. No surprise that neither candidate gave us anything close to an answer.

It amazes me listening to Sen. Obama on the campaign trail say how he can and will push forward his plans on health-care, taxes, education and energy independence when if you look at the costs and the cost of this bailout there is no money left to implement these programs unless you raise taxes on everyone. Where does he or Sen. McCain think we are going to get the money to pay for these very expensive initiatives? The real downside to the bailout is that come next year, whoever is elected President, will be held holding the bag and unable to move other must have issues forward because there is no money to do so.



I've listened to both candidates today giving stump speeches on the need to pass this bailout legislation. I was amazed at what I heard. From one candidate I heard a very eloquent speech on how America can be great and we can save the next generation. From the other I heard some tough talk and a few real ideas on how tax-payers won't be left holding the bag. But neither candidate has yet to tell us the tough truth that lies ahead with this bailout.

We are heading into some real challenging times and I would prefer to cast my vote for someone who is going to tell me the truth. I may not agree or like what I hear, but I can respect them for standing up and telling us it isn't going to be all rosy next year. We all are going to continue to feel the economic pain, but I promise to do the following... to get us out of this mess. That would be a refreshing brand of politics.

This bailout could have been avoided if greed didn't continuously get in the way of doing the right thing. Let's hope that Congress will now do the right thing and not leave us all holding the bag.

## **IN THE NEWS**

### **Miller/Wenhold Capitol Strategies Gives Back**

For the tenth year in a row, Miller/Wenhold Capitol Strategies has put on an event called Hoops for Hope. Paul Miller, the man behind the event, created Hoops for Hope ten years ago in an attempt to find a way to give back to the Washington, DC, community. The event, which this year raised \$90,000 for local charities, pits Members of Congress against Washington lobbyists in a game of basketball. It's heartening to see both sides of the political spectrum and political scene come together to put differences aside and play a competitive game of basketball, all in the name of charity. Paul Miller states, "This was one of the best events to date. Seeing Congressional members, staff, and lobbyists coming together for a common cause is so wonderful to witness. In the end, we all want to better our country, and that begins right here in DC."



### **From St. Paul to the White House**

At the beginning of September, the Republican Party held its national convention in St. Paul, Minn. On the first day of the convention, when the delegates should have been celebrating the first female Republican candidate for vice president, many tempered their enthusiasm due to the massive hurricane that was ravaging the coast of Texas, Ike. The convention was able to get under way on the second day, and convention-goers exploded with excitement when Sarah Palin accepted her party's nomination. Perhaps the second most noteworthy event of the week was that Independent Democrat Joe Lieberman (ID-Conn.) gave a rousing endorsement of his friend, John McCain. Democrats were extremely disappointed with Lieberman's tone in, in their minds, attacking Democratic candidate Barack Obama. Washington, DC, is now full of rumors that Lieberman will lose his powerful position as Chairman of the Homeland Security and Government Oversight Committee and may even be kicked out of the Democratic caucus altogether. Lieberman's fate will most likely rest on the outcome of the congressional elections in November.

---

**Wall Street and Main Street Hit Hard**

September saw an incredible financial situation hit the United States. Spurred by the dramatic rise in home foreclosures stemming from the failure of mortgage lenders, the stock market plummeted and gas prices shot up.



Americans are now witnessing the federal government take control or bailout several financial and insurance giants, including Frannie Mae, Freddie Mac, Lehman Brothers, and AIG. Investors are struggling to decide where the best place for their money is while firms are rushing to attempt to calm the fears of their clients.

The crisis has already shown up on the campaign trail as both presidential candidates have released statements calling for the shoring up of the economy by both Congress and the White House. Regardless of whether or not Congress will have time before the end of the session to take on this massive issue, the next president will surely inherit a problem that will demand a large portion of his time and energy.

At the end of September, Congress cobbled together, with the approval of the President, a \$700 billion bailout plan for Wall Street. Many economists and politicians believed that this plan was vital to help the hurting American economy. Many Americans were outraged that the government would go to such lengths to help out failing corporations and banking institutions. The final bill failed in the House of Representatives 205-228.

**McCain v. Obama – Round One**

The first edition of the presidential debates took place on Sept. 26 in Mississippi. The two faced off in the midst of one of the most difficult financial situations that this country has faced in many decades. The debate was supposed to be centered on foreign policy; however, inevitably, the economy and finances came to the forefront of the conversation.

According to the polls taken after the debate, the event did not seem to budge voters one way or the other. Obama continued to be slightly ahead in national polls. The status quo seems to benefit the Illinois senator as he currently enjoys the slight advantage. Vice presidential candidates Sarah Palin and Joe Biden square off in the first week in October.

Continued from page 4

### **Alaska's Sarah Palin**

Many in the realm of politics were scratching their heads with Republican presidential nominee John McCain's announcement that Alaska Gov. Sarah Palin would be his running mate. Palin, who has been governor for two years, is a mother of five. One of her sons, Track, has recently been deployed to Iraq. Palin brings more of a conservative bent to the GOP ticket as an avid hunter, NRA member, and socially conservative politician. Over the next month and a half, the American public will undoubtedly become more and more familiar with the vice presidential candidate. Election Day will tell whether she was a good bet or the wrong move. Politics loves the perfection of hindsight vision.



### **Senate Passes Massive Bailout Bill**

The Senate, in a high-stakes gamble, plans to vote Wednesday night on a massive financial rescue plan, after attaching a tax-break package and adding higher insurance limits for bank deposits.

With leaders of both parties pushing for passage and the rival presidential candidates returning to Washington to lend their support, the combined bill is expected to pass with a substantial majority in the Senate. Whether the latest version will fare better in the House than the bill defeated two days ago remains to be seen. But it appeared that the Senate add-ons, coupled with a regulatory change easing corporate accounting rules for valuing frozen assets, could give some House Republicans a reason for switching their votes from "no" to "yes."

Democratic leaders said two days ago that they had delivered all the Democratic votes — 140, or 60 percent of their membership — that they considered achievable. They said Republican leaders had failed to come up with votes they had promised. Only 65 Republicans voted for the bill on Sept. 29; 133 voted "no." Plenty of Democrats remain unhappy with the core bill, not to mention the tax add-ons. There was some discussion of trying to add foreclosure assistance provisions in the Senate but it was not clear how far that idea would get.

The measure's core provisions, which would authorize the Treasury to buy up to \$700 billion in troubled assets now clogging the books of financial institutions, are essentially unchanged from the version (HR 3997) defeated in the House two days ago by 205-228.

Continued from page 5

The one difference is an expansion, through 2009, of Federal Deposit Insurance Corp. protection for bank accounts. The bill would temporarily increase insurance coverage to \$250,000 per account from \$100,000. That is designed to help small businesses and community banks in particular.



More controversial was the decision to attach the entire Senate tax extenders package (HR 6049) to the bailout bill in a bid to lure votes from more House Republicans. Republicans prefer the Senate tax plan, which is only partially offset with revenue raisers, to the House Democrats' approach, which would require full offsets for all but disaster tax relief and a patch to keep the alternative minimum tax from hitting millions more Americans.

One development that might help pick up House Republican votes for the bailout package was a move late Tuesday by the Securities Exchange Commission and the Financial Accounting Standards Board to "clarify" so-called mark-to-market rules that companies said were making their financial condition appear worse than it actually is.

Businesses and GOP members had urged a major overhaul of the rule, which requires companies to list the market value of assets on their books — a figure that has become almost impossible to discern for some mortgage-backed securities and other assets that can be sold only at fire sale prices, if at all. The new SEC guidance would, among other things, allow companies to use their internal assumptions about the value of illiquid securities in their public accounting.

## **On the Trail: *Presidential Campaign Trail***

### **The Big Ten – Big Universities, Big Politics**

The states that house of the universities within the Big Ten athletic conference are also battleground states for the presidential election. It will be imperative to evaluate these states in the coming weeks to see how they proceed in the presidential election. The states are: Minnesota, Iowa, Wisconsin, Illinois, Indiana, Pennsylvania, Michigan, and Ohio. Illinois is solidly in the Obama column and Indiana is leaning towards McCain, though that state is well within the margin of error. The other six states are true tossups.

Continued from page 6

### **Colorado**

Recent polls in Colorado show that Illinois Sen. Barack Obama is leading John McCain in that battleground state. Data shows anywhere from a 3 to 9 point lead for the Democratic nominee. Colorado's nine electoral votes could be crucial in the weeks ahead if the race continues to tighten between the two candidates. Colorado's mix of more rural and conservative voters with urban liberal ones makes for a good snapshot of American politics.



### **Nevada**

Polls taken in the last couple of weeks in the Silver State show John McCain with a 1-3 point lead over Barack Obama in the White House race. Nevada has not voted for a Democrat since Bill Clinton in 1996; however, the Democratic primary fueled a large voter registration effort and turnout in the state which could lead for a surprising outcome in November.

### **Florida**

Most polling data from the Sunshine State show John McCain with a slight edge over Obama. These numbers range from 1-3 points in McCain's favor with one poll showing Obama ahead by 2 percentage points. Florida, which gained infamy in 2000 in the race between Al Gore and George W. Bush, could feasibly be in a similar situation come November. The state's 27 electoral votes are integral to both campaigns' chances for the White House.

## ***SENATE***

### **ALASKA**

The Last Frontier has truly been in the news a lot this past month. From the choice of its Governor for McCain's vice presidential candidate, to the lieutenant governor's primary challenge to At-Large Congressman Don Young, to incumbent GOP Senator Ted Stevens' fight for his political life both at the ballot box and in court. Polls show that Anchorage mayor Mark Begich is leading Stevens for the Senate seat. Data ranges from 2-6 points in favor Begich. This race could turn around if Stevens is found not guilty in the days leading up to the election in November.

### **MINNESOTA**

This race has become increasingly more interesting with the addition of Independent candidate Dean Barkley now in the running. Polls shows incumbent Republican Sen. Norm Coleman ahead by 1-7 points, with Barkley garnering anywhere between 3 and 14 percent. Democratic nominee and comedian Al Franken has had a bumpy campaign but continues to be in the running.

## **HOUSE**

### **FL – 08**

Rep. Ric Keller, the Republican incumbent, barely survived a primary challenge for the nomination and is facing stiff competition from his Democratic opposition. The challenger, attorney Todd Long, is riding a wave of national anti-GOP sentiment and is leaning heavily on his reputation of being against the War in Iraq. More than that, Rep. Keller is battling the scenario where he broke his promise for only 4 terms, by seeking his fifth.



### **CA – 04**

Lt. Col. Charlie Brown is facing off against Republican nominee Tom McClintock, a state senator. The seat is being vacated by retiring GOP Rep. John Doolittle. Brown challenged Doolittle in the 2006 election and only lost by 3 percentage points. Doolittle is facing difficult ethics inquiries and therefore decided against seeking reelection. This congressional race is considered one of the most competitive in the nation.

### **CO – 04**

This congressional seat, which is currently held by GOP Rep. Marilyn Musgrave, is another hotly contested seat in the 2008 election cycle. The challenger, Democrat Betsy Markey, is running ahead of Musgrave in many polls. Moreover, the incumbent only won her election in 2006 with only 46% of the vote. Her seat, which is solidly conservative, could be a bellwether for the state of Colorado as a whole for the presidential race between GOP candidate John McCain and Democrat Barack Obama.

### **OH-01**

Veteran Republican Congressman Steve Chabot from the First District of Ohio is facing a vigorous challenge from State Representative Steve Driehaus. Chabot, who was first elected to Congress in 1994, may be in the closest race yet for reelection. To date, his closest challenger lost to him by six points. The congressional race may boil down to who has longer coattails in the Buckeye State, Barack Obama or John McCain. The Ohio First District includes the city of Cincinnati.