



# America's Path to Recovery and Prosperity



LaRocco works for me

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## **About Larry:**

*Larry LaRocco has spent more than 40 years in the work force, blending public service with jobs in the private sector. He has headed a start-up company, steered his own small business, and worked for a corporation whose shares were publicly traded on the New York Stock Exchange. He has more than 30 years experience in the financial services industry, including four years on the U.S. House Banking Committee. Larry LaRocco is uniquely qualified to understand the current crisis on Wall Street and to formulate effective solutions.*

*After three years as an army officer, Larry began his financial services career as Assistant Vice President of the Twin Falls Bank and Trust. For eight years he served as Vice President of First Idaho Corporation, and as Vice President and stockbroker at Shearson Lehman Hutton and Piper Jaffray, where he helped individuals and families establish financial security and plan for the future through prudent investing.*

*When he was elected to the House of Representatives in 1990 he requested and received a seat on the House Banking Committee. As one of the few stockbrokers in Congress, he had a unique perspective on securities issues. He worked to help resolve the Savings and Loan crisis and formulate public policy for the nation's banking system.*

*After leaving Congress, Larry served for five years as Managing Director of the ABA Securities Association and the ABA Insurance Association, affiliates of the American Bankers Association. He currently serves on the board of directors of a community bank in McCall.*



## **First things first – Solve the immediate crisis**

In Congress, I worked with the Resolution Trust Corporation (RTC) during the Savings & Loan (S&L) crises in the 1990s to protect homeowners, sell off failed institutions and restore confidence in the markets. We need to set up a similar “resolution” mechanism now.

But we need to be cautious and deliberate. When President Bush goes to the Congress and asks for the power to stage costly Wall Street bailouts it reminds many of his request for no-strings-attached power to go to war with Iraq. Giving the administration total freedom to do whatever it wishes, like deciding that some firms are “too big to fail,” punishes those who are living by the rules. So our resolution mechanism should be run by a non-partisan, professional staff and have specific bench marks and a deadline for finishing its work and disbanding.

Further, we must avoid burdening American taxpayers with the bill for bailouts and consolidations of high-risk loans. This means we must build a mechanism that repays us for the guarantees we provide to the greatest extent possible. I could not vote for a recovery policy that was presented without that guarantee.

Finally, we must ensure that individuals who have had a role in creating the economic crisis do not benefit. Business people on Main Street don’t get publicly financed golden parachutes and CEOs on Wall Street shouldn’t get them either.

***Our resolution mechanism should be run by a non-partisan, professional staff, and have a deadline.***

## Regulate Reasonably and Responsibly

Our financial markets have been the envy of the world because of our strong regulatory system—until recently. Now we are witnessing what happens when regulation and oversight get lax, when we let the fox guard the hen house.

We need intelligent and prudent boundaries to guard against corporate excesses, and then we should require corporations to accept the consequences of their actions. If we don't return to this policy, we create a moral hazard by encouraging risky behavior by financial institutions and implying a tax payer safety net is in place if they collapse.

Nobody will bail any of us out if we don't take care of our family check book or our small business account. Financial institutions shouldn't be treated any differently.

Congress needs to address an outdated and overlapping regulatory system, place limits on exotic financial instruments, regulate "leverage"

in the market place, and put strong capital requirements on investment firms.

Jim Risch's statements calling for less regulation in the face of meltdowns are irresponsible. Idaho's working families and small business have a right to demand more than rote answers to complicated issues.

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## Balance the Budget

In the past five years we have gone from budget surpluses to a projected deficit in 2009 of \$482 billion. That's \$482,000,000,000—the biggest in U.S. history.

Our national debt is essentially the total of the deficits we've piled up over the years. And this year's whopping total will move it to \$9.7 trillion.

If simple terms, if you have four people in your family, its "owes" \$125,800.

If investors lose confidence and quit putting money into financial instruments that fund the national debt, or if the Chinese or Japanese decide to cash in their investments—together they now underwrite something like 25% of the public federal debt—we've got problems that will make the present crisis look like a puff of breeze before a hurricane.

I've worked shoulder-to-shoulder with working families and small businesses all around Idaho in the last 15 months. Idaho's working families and small businesses can tell you that if you're spending more than you're taking in you're headed for trouble.

I supported a balanced budget amendment in the past, and I'll do so again.

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## **“Energize” the Idaho and National Economy**

Researching, investing in, and using alternative energy technologies will bring money and jobs into the U.S. Studies have suggested that Idaho could be a major beneficiary, with something like 14,000 new high-wage jobs created.

Harvesting energy from wind and biomass, along with geothermal, nuclear and solar sources will make cleaner energy and stimulate Idaho's economy. Windmills already dot the I-84 landscape. Ethanol bio-refinery options are being pursued seriously.

In the United State Senate, I will be a leader in promoting alternative sources of energy.

***Harvesting energy from wind and biomass, along with geothermal, nuclear and solar sources will make cleaner energy, create local jobs and stimulate Idaho's economy.***

We all know that our energy policy depends too heavily on oil. This makes us and our economy vulnerable to unpredictable events. Severe storms in America or tension in the Middle East can cause sharp changes in prices, or outright shortages that ripple through our economy.

By producing more of our energy at home, we can reduce this economic uncertainty. Self sufficiency in energy and predictability in the level of supply not only stabilize and strengthen our economy, they enhance our national security in the process. Being “green” and promoting alternative energy is good for Idaho and is good for our nation.

## Provide Health Care for an Ailing Economy

The past several months have been a sobering reminder of how quickly dysfunctional systems can escalate into full-blown economic crises. We must acknowledge that the problems in our health care system have the potential to create the next major economic emergency.

The cost of health care has gone up four times faster than wages over the past six years. This has put a huge strain on families and businesses. As government attempts to respond, new programs put increasingly heavy pressure on the federal budget and consequently on the entire economy.

We must address this growing crisis now, while it is still manageable. We can do so by increasing the quality and availability of health care itself, and by fixing the health insurance system.

My proposal would take decisive steps to make sure that every individual, regardless of employment, age, race, gender, geography or pre-existing conditions has access to affordable health insurance through a national health insurance market. Health insurance must also be fully portable so that insurance companies realize they are in for the long haul with their policy holders and begin to give preventive care the attention it deserves.

Simultaneously we can take steps to enhance the quality of health care while controlling costs. We can provide incentives for people to enter medical professions and work in Idaho's underserved areas. We can bring more efficiency by using new information technologies.

The details of my plan to address the health care issue, in part to preempt the next major economic crisis, are available on my website at the link below:

***Problems in our health care system have the potential to create the next major economic emergency.***

# LaRocco for U.S. Senate

## Return to Tax Fairness

Over the last eight years we have seen the tax burden shift onto the shoulders of working families as we continue to experiment with discredited theories of trickle-down economics—experiments that simply push our debt higher and weaken our economy.

Whether it was the Bush tax policy, that gave huge tax breaks to the mega-rich, or the Risch tax shift that replaced tax on property with taxes on food, the pattern has been clear: working families are being sent to the back of the line.

As your United States Senator I will fight for tax fairness. I will fight for a middle class tax cut and I will fight for a tax system that puts you and your neighbors, who are a driving force of this economy, at its heart.



Working for you,

A handwritten signature in blue ink that reads "Larry". The signature is stylized with a large initial 'L' and a long horizontal stroke at the end.

For further details, check out:  
[www.laroccoforsenate.com](http://www.laroccoforsenate.com)