

Office of the Governor

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NEWS RELEASE

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Whitman to Clinton: Debt Relief Begins at Home

NJ Gov. Christie Whitman today called upon the President to extend debt relief and grants to Americans affected by Hurricane Floyd much in the same way that he has announced he will provide relief to 36 disadvantaged countries around the globe.

"I read with interest reports of your proposal yesterday to forgive as much as \$5.7 billion in debt owed by various foreign governments to the taxpayers of the United States. I am disappointed that the federal government is not offering similar relief to American small business owners who are victims of Hurricane Floyd," Whitman wrote to the President.

"The billions of taxpayer dollars owed to the American people that you now want to forgive have helped support numerous governments with long records of human rights abuses, as reported by your own State Department. While I certainly recognize that there may be a place for foreign debt forgiveness, I believe that the money you want to designate for that purpose would be better used, right now, here at home, to help those who are facing what is perhaps the greatest crisis of their lives," the Governor noted.

Whitman proposed that the President forgive any outstanding federal loans that are owed by flood victims and that the federal government extend grants to help flood victims rebuild their businesses and their lives.

"Before asking Congress to forgive nearly \$6 billion in foreign loans, I would hope you would instead seek to help small businesspeople in New Jersey and those other states hit so hard by Floyd by forgiving any outstanding federal loans they currently owe and by giving them the assistance they need to rebuild their businesses. When it comes to debt relief, your priority should be here at home, with the people who have worked so hard to make their communities thrive and our nation great," she wrote.

Whitman will join the President today at the National Education Summit in Palisades, New York, this afternoon.

(A copy of the Governor's letter is attached)

September 30, 1999

President of the United States
The White House
Washington, D.C. 20500

Dear Mr. President:

I read with interest reports of your proposal yesterday to forgive as much as \$5.7 billion in debt owed by various foreign governments to the taxpayers of the United States. I am disappointed that the federal government is not offering similar relief to American small business owners who are victims of Hurricane Floyd.

Here in New Jersey, hundreds of small businesspeople have had their lives and livelihoods destroyed by the hurricane's flood waters. Yet at a time when these citizens should be able to look to Washington for significant help, they are instead offered minimal grants and assistance securing loans.

The taxpayers of my state sent \$69 billion of their hard-earned income to Washington last year in federal taxes. Washington returned less than two-thirds of that to the people of New Jersey in benefits. This enormous imbalance has existed for years. New Jerseyans deserve more from Washington in the wake of this natural disaster than they are getting at this difficult time.

The billions of taxpayer dollars owed to the American people that you now want to forgive have helped support numerous governments with long records of human rights abuses, as reported by your own State Department. While I certainly recognize that there may be a place for foreign debt forgiveness, I believe that the money you want to designate for that purpose would be better used, right now, here at home, to help those who are facing what is perhaps the greatest crisis of their lives.

Before asking Congress to forgive nearly \$6 billion in foreign loans, I would hope you would instead seek to help small businesspeople in New Jersey and those other states hit so hard by Floyd by forgiving any outstanding federal loans they currently owe and by giving them the assistance they need to rebuild their businesses. When it comes to debt relief, your priority should be here at home, with the people who have worked so hard to make their communities thrive and our nation great.

Yours sincerely,

/S/

Christine Todd Whitman
Governor

