

Obama jobs plan meets reluctance

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President Barack Obama's jobs plan will save or create, according to government figures, 63,000 jobs in Florida and send at least \$7.5 billion of federal spending to the state.

But from local employers to the state's top leaders, there is little or no optimism that the plan will play here. The consensus: doesn't matter, not enough, won't work, who's footing the bill?

"It's good in concept," said Wayne Kirkwood, owner of Kirkwood Electric in Cape Coral, "but ..." "Don't get me wrong ... I won't look a gift horse in the mouth."

Before leaving Washington on Monday to tout the American Jobs Act, Obama sent the legislation to Congress, exhorting lawmakers to act quickly - and positively.

Key parts of the plan are trimming the payroll tax in half to 3.1 percent; building roads, bridges and schools; hiring more teachers and training teens and young adults who are unemployed.

"It is for all government-backed projects that produce no profit," said Jason Richardson, owner of Fort Myers home builder Richardson Custom Homes. "Repairing schools, hiring new teachers, hiring new police officers, hiring new emergency responders ... et cetera. This is all very important, but all must be funded by tax-paying citizens and businesses.

"If the big money guys can't make money, if the small business guys like myself can't make money, if the employees ... can't make money, then who is going to pay for all these new jobs funded by the government?" Richardson said.

One of the major areas of the plan Obama has been pushing is the payroll tax cut, which would help employees and employers.

That alone wouldn't, though, spur Kirkwood to hire more electricians or office help.

"In reality, it would help move us back to generating profits again.

"We've had to make choices ... bleed a little or just disappear ... it would be kind of like

bleeding from an open wound to a razor cut."

Kirkwood, whose family was among the first residents of Cape Coral a half century ago, said before he could add personnel to the staff of 30 he has, business would have to improve dramatically.

"We wouldn't hire until there is more work out there. There is improvement afoot, but it's like watching paint dry."

Mei-Mei Chan, president and publisher of The News-Press Media Group, echoed Kirkwood.

"Unfortunately, our business relies on the strength of the overall jobs pipeline," she said. "My incentives would require the economy to gain momentum and to build consumer confidence."

Attorney Kevin Jursinski of south Fort Myers said the cut in payroll tax could be a selling point for someone looking for a job.

"I would put that on my resume," he said. "If I were unemployed looking for a job, I would tout that to the employer. It might make the business owner think, 'Hey, this man or woman is looking out for me.' It could be an incentive."

Jursinski said hiring someone who has been out of work for six months to get a tax break wouldn't work for him.

"I would be hiring first for quality and need. Then if the person had been unemployed, that would be a bonus."

Hospital administrators, including Lee Memorial Health System President and CEO Jim Nathan, are watching the jobs proposal carefully.

"If the plan gets funded partially through dramatic reductions in health care reimbursement as proposed, then hospitals will have to reduce services, which will lead to fewer jobs, not more," Nathan said.

"The current plan may have an opposite effect and actually siphon jobs from one of the few areas of our economy that has continued to grow even during the recession."

Florida's Republican-dominated leadership, including Gov. Rick Scott and Speaker of the House Dean Cannon, have sent early signals that they aren't interested in Obama's help.

Scott has branded the president's jobs bill as being too similar to the 2009 stimulus package.

Florida has an unemployment rate of 10.7 percent.

On Monday, Obama and Jack Lew, the White House budget director, explained how the \$447 billion legislation will be paid for.

They said the president is targeting high earners, private equity managers and oil and gas companies to pay the bill.

Itemized tax deductions and exemptions for those making more than \$200,000 and families earning more than \$250,000 would be cut. That would generate \$400 billion over 10 years.

A change to bring more hedge fund earnings under normal tax rules as opposed to capital gains rates would raise another \$18 billion.

The rest would come by cutting subsidies for the oil and gas industries to bring in another \$40 billion, and change the depreciation rules for corporate jets.

Nothing was said about including cuts to Medicaid and Medicare, but it had been part of the discussion in the lead-up to the unveiling of the plan.

PLAN AT A GLANCE

Here's the breakdown for Florida, according to the White House:

- **Payroll tax:** Cut through 2012, reducing it by half to 3.1 percent, would ease the burden for 410,000 Florida companies and for workers, who split this tax. A typical household in Florida, with a median income of around \$46,000, would receive a tax cut of about \$1,430.
- **Construction:** Proposed infrastructure spending would mean \$1.58 billion for construction of highways and transit systems, which could support 20,500 local jobs.
- **Public jobs:** Proposed spending for educators, cops and firefighters would bring \$1.67 billion to Florida and save or create 25,900 jobs.
- **Schools:** Construction funds would include \$1.28 billion for Florida, which could support as many as 16,600 jobs.
- **Home repair:** Money to fix up thousands of vacant and foreclosed homes and businesses would bring \$2.7 billion to Florida.
- **Colleges:** Money to modernize Florida community colleges would bring \$288 million to Florida.
- **Benefits:** The proposed extension of emergency unemployment benefits would help an estimated 148,500 Floridians in the first six weeks after current payments expire at the end of

the year.

- Training: A proposed “Pathways Back to Work” fund would help train or place 8,800 adults and 35,600 youths in jobs in Florida.