

OMAHA, Neb. -- President Barack Obama's \$825 billion economic plan is being called the largest stimulus package in history.

It's expected to hit the floor of Congress this week and the House of Representatives are expected to vote on Wednesday. The plan calls for about two-thirds of the money go toward government spending and the rest to tax cuts. The plan includes an income tax cut for most Americans making less than \$200,000 a year. Individuals would receive up to \$500, families \$1,000, and it would come through a reduction in how much is taken out of your check for social security.

Many republicans said they won't vote for the package because they want deeper and permanent tax breaks. Republicans also said the plan relies too heavily on spending. KETV NewsWatch 7 caught up with Nebraska Congressmen, both Republican, who had the same reaction.

U.S. Rep. Lee Terry told KETV that the plan does have its merits like money for energy and broadband, but he's worried that it might not be the right way to help the economy. Terry said his main concern is that more than 60 percent of the stimulus money would go toward growing the government -- as opposed to growing jobs in the private sector. "I think we need to focus more on the original (targets of the stimulus plan) -- infrastructure and lowering tax rates for people and for small businesses. Get that money back into the economy," said Terry. Terry said if he had to vote Sunday on the stimulus package he'd vote no. Terry remains hopeful it will change before it comes up for vote.

U.S. Sen. Mike Johanns also spoke on the plan to KETV and is calling the stimulus effort 'a work in progress' -- one that legislators need to craft with caution. "We've got to pay attention here, because we are proposing to spend nearly one trillion dollars and there may not be a second chance; the country has so much debt that messing this (stimulus effort) up and coming back and saying 'Let's start all over again' may not be an opportunity we'll have," said Johanns.

President Obama's plan is drawing concern from Creighton University's top economic expert, Dr. Ernie Goss. Goss is worried the stimulus as currently proposed would have major consequences. Among his concerns: it involves a lot of what he frames as pork-barrel spending, it doesn't get money into the economy quickly enough and it may cause large-scale inflation.

"We've got a \$1.2 trillion dollar deficit for the current year we are in; you add to that another \$800 billion -- that is too large of a debt to leave to future generations and would change America's economic composition," said Goss. "If this package goes through -- along with the current deficit -- we could be moving toward 25 percent of GDP being money spent by the government," said Goss. Goss warned that if that government has to print money to pay for it all, the consequences could be all the more serious such as higher taxes, higher interest rates, and inflation. "We're creating a real problem for 2010 and beyond in terms of inflation, tax rates, and certainly in terms of debt," said Goss.

KETV NewsWatch 7 asked Goss what he would do to jump start the economy. He said he would make the 2001 and 2003 tax cuts permanent, give an across-the-board tax cut to all citizens and extend the first-time home buyer tax credit to all home buyers.

