Everyone knows that bailout fever is all the rage in Washington, D.C., but what is less known is how few dissenting voices are allowed to make the alternate case. On Tuesday, for instance, the House Financial Services Committee considered HR467, which would provide federal emergency assistance to municipalities that had invested in the now-bankrupt Lehman Brothers. The title of the bill says it all: “The Equitable Treatment of State and Local Governments Act of 2009.” The idea is that because the federal government has bailed out so many other governments and companies, it's only equitable that it bails out the municipalities, too.

The hearing was stacked with representatives from governments that stood to receive tax dollars if the bill passes. **Thanks to Reps. John Campbell, R-Irvine**, and Ed Royce, R-Fullerton, the committee got to hear from a prominent dissenter – Orange County Treasurer Chriss Street, who relayed experiences from the county's notorious 1994 bankruptcy. During that time, Mr. Street testified, county leaders faced problems similar to those faced today by officials who have troubled investments. The process of dealing with “a seemingly insurmountable fiscal black hole” forced the county to deal directly with its problems. Now the county has Standard & Poor's highest credit rating.

“The pleas that you hear today are wrenching, but the actions these good people are asking you to take are nonetheless wrong,” Mr. Street told the committee. “We, as state and locally elected officials, must live with the intended, and unintended, consequences of our decisions. … Bailouts will not instill the virtue of fiscal responsibility at the local level. A bailout simply masks the problem, and permits leaders to avoid the consequences of fiscal mismanagement.”

Mr. Street spoke for only five minutes, then answered questions for more than an hour. This was a hearing, so no vote was taken. But he believes his arguments put a damper on the planned love fest as he countered the “people who were there to slurp at the trough.” Mr. Street said this legislation involves $1.7 billion – a relatively small amount these days. But May 21, he warns, Congress will address a plan to extend the full faith and credit of the United States to back the growing debt of California. That could cost may billions more, he argues, and could lead to the downgrading of the U.S. credit rating – something that could lead to much higher interest rates for Americans. “To add billions more in commitments could be the tipping point that crushes the fragile and embryonic recovery,” he testified.

We're certainly glad that Mr. Street and others have the expertise and platform to fight for fiscal responsibility, even in an institution as immune to restraint as Congress.