bus station by the vanload, where they head elsewhere in the U.S. The number of “ab-
sconders”—those who never appear for de-
portation—is over 90 percent of those re-
leased, a number now estimated to be ap-
proaching 75,000. Already the number of OTMs captured and released is more so far this year than last year.

The Southern Border is being left utterly un-
protected, and there is the real possibility that terrorists can—or already are—exploiting this series of holes in our law enforcement system along the southern border. These are the things that are not in the news. I am guessing how many others are entering the country, but who are not passing through the hands of government law enforcement of-
cers, so Mr. OBEY’s instructions to our appro-
priators is extremely timely.

This is a clear and present danger inside the United States, and the number of released illegal immigrants not returning for deportation grows by the hundreds each week. This is willfully ignoring a complex problem that un-
dermines our national objective: to take the war to the enemy so we do not have to fight it willfully ignoring a complex problem that un-
dermines our national objective: to take the war to the enemy so we do not have to fight it willfully ignoring a complex problem that un-
dermines our national objective: to take the war to the enemy so we do not have to fight

All the money we appropriate here is the people’s money and must be good stew-

The SPEAKER pro tempore. Without objection, the previous question is or-
dered on the motion to instruct. There was no objection.

The SPEAKER pro tempore. The question is on the motion to instruct offer-
ded by the gentleman from Wis-
consin (Mr. OBEY).

The question was taken: and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. OBEY. Mr. Speaker, I object to the vote on the grounds that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Pursuant to clause 8 of rule XX, further pro-
ceedings on this question will be post-
poned.

RECESS

The SPEAKER pro tempore. Pursuant to clause 12(a) of rule I, the Chair declares the House in recess until ap-
proximately 5:30 p.m. today. Accordingly (at 4 o’clock and 57 min-
utes p.m.), the House stood in recess until approximately 5:30 p.m. today.

□ 1737

AFTER RECESS

The recess having expired, the House was called to order by the Speaker pro tem-
porum (Mrs. BIGGERT) at 5 o’clock and 37 minutes p.m.

APPOINTMENT OF CONFEREES ON

H. CON. RES. 95, CONCURRENT RESOLUTION ON THE BUDGET FOR FISCAL YEAR 2006

Mr. NUSSELE. Madam Speaker, I ask unanimous consent to take from the Speaker’s table the concurrent resolu-
tion (H. Con. Res. 95) establishing the congressional budget for the United States Government for fiscal year 2006, revising appropriate budgetary levels for fiscal year 2005, and setting forth appropriate budgetary levels for fiscal years 2007 through 2010, with a Senate amendment thereto, disagree to the Senate amendment, and agree to the conference asked by the Senate.

The SPEAKER pro tempore. Is there objection to the request of the gent-
leman from Iowa?

There was no objection.

Motion to instruct offered by Ms. HERSETH.

Mr. HERSETH. Madam Speaker, I offer a motion to instruct conferees.

The Clerk read as follows:

Ms. Hersest of South Dakota moves that the managers on the part of the House at the conference on the disagreeing votes of the two Houses on the Senate amendment to the concurrent resolution H. Con. Res. 95 be in-
structed, to the maximum extent possible within the scope of the Senate amendment, to—
(1) resect to the following findings of the Senate: (A) Medicaid provides essential health care and long-term care services to more than 50 million low-income children, pregnant women, parents, individuals with disabilities, and senior citizens; and (B) Medi-
caid is a Federal guarantee that ensures the most vulnerable will have access to needed medical services; (2) to strike reconciliation instructions to the Committee on Energy and Commerce and to the Senate by including language declaring that a reconciliation bill shall not be reported that achieves spending reduc-
tions that would (A) undermine the role the Medicaid program plays in the health care system of the United States; (B) cap Federal Medicaid spending, or otherwise shift Medicaid cost burdens to States and local governments and their tax-
payers and health providers; or (C) under-
mine the Federal guarantee of health insur-
care coverage Medicaid provides, which already fall on Medicaid. I and many of my colleagues in this body strongly oppose spending cuts, if not all of it, will like-
ly fall on Medicaid. I and many of my colleagues in this body strongly oppose spending cuts, if not all of it, will like-
ly fall on Medicaid.

Ms. HERSETH. Madam Speaker, to explain the motion, I yield myself such time as I may consume.

The House-passed budget directs the Committee on Energy and Commerce to consider spending cuts that would not only the health care safety net of the United States, but the entire health care system.

(3) to resect to the Senate on section 310 (entitled “Reserve Fund for the Bipartisan Medicaid Commission”) of the Senate amendment; and

(4) to make adjustments necessary to off-
set the cost of these instructions without re-
sulting in any increase in the deficit for any fiscal year covered by the resolution.

The SPEAKER pro tempore. Pursuant to clause 7 of rule XXII, the gentle-
motion to instruct from the Senate by Senators SMITH and HERSETH and the gentleman from Iowa (Mr. NUSSELE) each will control 30 minutes.

The Chair recognizes the gentle-
woman from South Dakota (Ms. HERSETH).

Ms. HERSETH. Madam Speaker, to explain the motion, I yield myself such time as I may consume.

The House-passed budget directs the Committee on Energy and Commerce to consider spending cuts in its jurisdiction by $20 billion over 5 years. The vast majority of this $20 billion in spending cuts, if not all of it, will like-
ly fall on Medicaid. I and many of my colleagues in this body strongly oppose these cuts.

The majority of our counterparts in the Senate apparently share some of our concerns. The Senate approved an amendment by Senators SMITH and BINGAMAN to strike reconciliation in-
structions to the Senate budget that would have directed the Committee on Finance to cut spending by $15 billion over 5 years, which all would have been from Medicaid. The Senate amendment
also created a reserve fund allowing for the creation of a bipartisan commission on Medicaid reform.

This motion protects Medicaid by instructing conferees to follow the Senate’s lead and strike reconciliation instructions that target Medicaid for funding cuts and instead include a $1.5 million reserve fund for the creation of a bipartisan Medicaid reform commission.

Forty-four of my Republican colleagues and I have recently written a letter to the chairman of the Committee on the Budget, urging him to remove Medicaid reductions in the budget resolution. In this letter they stated, “We are concerned that the inclusion of up to $20 billion in reductions from projected growth in the Medicaid program will negatively impact people who depend on the program and the providers who deliver health care to them.”

“We strongly urge you to remove these reductions and the reconciliation instructions targeted at Medicaid and, in their place, include a $1.5 million reserve fund for the creation of a bipartisan Medicaid Commission.”

Penny two Senators, including several Republicans, have recently written a letter to strike Medicaid cuts in the Senate budget resolution and instead allow for the creation of a bipartisan Medicaid commission. The amendment’s sponsor in the Senate, Mr. Smith of Oregon, stated that “I would rather do this right than do this fast... I don’t know where the original Senate cut of $14 billion came from. But I know what it is going to mean: another 60,000 Oregonians may be losing health care, pressuring private plans, overwhelming emergency rooms.”

During that debate, Senator McCain of Arizona stated that “cuts to Medicaid that result in reduction of covered individuals would flood hospitals with additional uninsured patients, forcing hospitals to absorb additional costs for uncompensated care.”

And Governors are virtually unanimous in their opposition to allowing arbitrary budget cuts to drive Medicaid policy. For example, the Republican Governor of Ohio said, “We do not support recommendations that would save the Federal Government money at the expense of the States.” Perhaps Arkansas’ Republican Governor stated it best when he said, “People need to remember that to balance the Federal budget off the backs of the poorest people in the country is simply unacceptable.”

And the American people agree. Four out of five Americans oppose cutting Medicaid to reduce the Federal debt, according to a poll released today by AARP. Across the country many hospitals, assisted living centers, and nursing homes have high Medicaid utilization rates and are reliant on Medicaid as a major source of funding.

But Medicaid is not keeping pace with the cost of providing health care.

This is particularly true in rural States like South Dakota, which is one of the States hit hardest by Medicaid’s shortfalls. According to a new report to be released tomorrow, Medicaid long-term care for economically disadvantaged elderly persons is underfunded by $1.5 billion. And the results are both real and devastating.

In 2004, South Dakota’s Evangelical Lutheran Good Samaritan Society facilities saw a net operating loss for Medicaid patients of over $3.5 million for the year. The Good Samaritan Society announced it would be closing three facilities in eastern South Dakota.

This means that for some South Dakotans, they will not have access to the medical and long-term care services they need, or they will find themselves moving further from their families in order to find an available facility. This also means the loss of jobs in our smaller communities. And it means a Nation po a Nation poor, our elderly, and our rural communities.

Talk of cutting $20 billion out of the Medicaid system over the next 5 years is completely at odds with the needs of people in South Dakota and across America.

In fact, a coalition of 135 organizations that represent groups ranging from medical specialties to faith-based organizations have asked the conferees to eliminate all proposed reductions in Federal funding for Medicaid from the FY 2006 budget. The letter, signed by the American Diabetes Association, Catholic Charities USA, and other organizations, said that the “elimination of such cuts is essential for the health and long-term care of Medicaid enrollees, the providers who serve them, and State and local units of governments.”

That is why this motion is so important. It protects this critical program by instructing conferees to follow the Senate’s lead and strike reconciliation instructions that target Medicaid for funding cuts. I urge my colleagues to support this motion and to protect Medicaid.

Madam Speaker, I reserve the balance of my time.

Mr. NUNZIE, Madam Speaker, I yield myself such time as I may consume.

Madam Speaker, this is a very interesting motion to instruct conferees. First of all, I am happy that we are at the point in time where we are able to go to the conference with the other body and start our work on the Concurrent Budget Resolution for Fiscal Year 2006. This is never an easy road to travel when you are trying to accomplish so much, when you are trying to accomplish reforms in some very challenging programs that by anyone’s criteria are not sustainable and are growing beyond the means not only of the Federal Government to fund but also State governments to fund.

It is always difficult when you have different ideas from different chairmen, different bodies, different leaders, different parties who want to come forward and make their mark on exactly what that spending blueprint should be. I would like to acknowledge that I think we all happen to be finally getting to a conference and the ability to work out our differences.

As such, I look at this motion to instruct conferees, and I am wondering what the controversy is. All of what the gentlewoman just said are compelling reasons why that motion should be passed. And it is up to the Members, whether you are Republican or Democrat, have made throughout the entire debate over the budget.

We have an unsustainable program called Medicaid which is not serving the most vulnerable people in our society to the fullest extent that it should or that it must in order to meet not only the obligations that we have entrusted in the program but also to make sure that it is sustainable, not only in the short run of our budget, but also long term in our overall fiscal situation that our country faces and that means our States as well.

We need a Federal guarantee that the most vulnerable will have access to most needed medical services.

We all agree. There is nobody here who disagrees with that. That is what the program was set up for; and that is the reason why we are so intent on reforming it, so that it continues to meet the mission and continue to deliver quality health care services for our parents and our grandparents, children, pregnant women, parents, probably grandparents as well and great grandparents of many of ours, individuals with disabilities and senior citizens; and that, B, Medicaid is a Federal guarantee that ensures the most vulnerable will have access to most needed medical services.

We all agree. There is nobody here who disagrees with that. That is what the program was set up for; and that is the reason why we are so intent on reforming it, so that it continues to meet the mission and continue to deliver quality health care services for our parents and our grandparents, children, pregnant women, parents, probably grandparents as well and great grandparents of many of ours, individuals with disabilities and senior citizens; and that, B, Medicaid is a Federal guarantee that ensures the most vulnerable will have access to most needed medical services.

Unfortunately, this program in many instances in its current state, 40 years old now, you might not be surprised to hear that it needs a little bit of work, it needs a little bit of reforming. The Congress has figured that out, and they have come to Washington with proposals that find savings, not cuts. They are themselves proposing savings in the neighborhood of $3 billion to $9 billion, and that is just their first implication that is just their first proposal, before we even go down that road.

Then I looked further at the motion to instruct conferees and it says: “To strike reconciliation instructions to
the Committee on Energy and Commerce and recede to the Senate by including language declaring that a reconciliation bill shall not be reported that achieves spending reductions that would undermine the role the Medicaid program plays as a critical component of the health care system of the United States.

I say again, there is no controversy in that. That is not the intent of the budget, that is not the intent of the conference. I only insist that the intent of either reconciliation instruction. In fact, we think it is a pretty good idea to set up a conference and to set up an opportunity to take a look at this in some type forum, whether it is a task force, whether it is a working group, however you want to put it together, in order to come up with ideas and resolve this problem.

We want to invite the Governors to the table. Certainly they have the best perspective when it comes to how this program works in their individual States. Many of them have sought waivers in order to be able to reform the program on the ground in which they see it so that that program which delivers these essential services can be met in a more quality way to our seniors and to our citizens with disabilities, to our parents and grandparents, and to our most vulnerable who may be low income.

So I do not see the controversy. I understand that because, as the gentlewoman said, there are polls, there certainly is politics involved. Anytime that anyone wants to bring forward any kind of reform measure, the immediate thing is to rush breathlessly to the floor and claim that it is cutting funds for people, and it is cutting the most vulnerable and it is hurting people, and that is exactly what was said about the welfare reform bill when it came to the floor not 10 years ago, and it did not help people unlocked from poverty thousands upon thousands of families and children in our society who all they needed was a hand up. For a while they may even have needed a handout. But because of the requirements that we passed in a bipartisan way, we were able to rise above the politics and the rhetoric and help people. That is what we want to do here.

There is not one Member who can come to this side and say this program is working in your State to its fullest extent, not one of you. Not one of you can say that. There is not one Member in the other body who can say that. There is, I dare say, not one Governor who can claim the Medicaid program in their State is working. So you are asking us here today in a political way, in a nonbinding motion to instruct, to do nothing.

Thankfully, that is not how you crafted technically your motion to instruct. You gave just a little bit of a backdoor, because you know as well as we do that this program needs attention, that it needs reformation, that it needs Governors and Congress and the administration to sit down and talk about the future of a program that is needed in order to deal with the most vulnerable in our society. So thank you for not crafting this in such a fail-safe way, so we do not against it and suggest that Medicaid should not be reformed, because, of course, it should.

I hope that is not what you are saying, that if you are saying we do not reform Medicaid, do not touch it, do not change it, it is perfect, it is helping people, come to the floor and dare to say that. But if that is not what you are saying, then save that political rhetoric for one time and let us work together to fix it.

That is what this ought to be about. Republican and Democrat Governors are certainly willing to do that. They are sitting down together. I have go proposals that add up to $8.6 billion of ideas that the Governors have already agreed to as a starting point. Now, are we claiming that those Governors are cutting? Are they gouging? Are they throwing people out on the street? Are they hurting seniors and people with disabilities?

Certainly that is not what we are saying. That is not what we would claim they are doing. They see a problem, they have come together to try to fix it, and that is what we should do as well. Reconciliation gives us that opportunity.

So I appreciate the gentlewoman's motion to instruct. It is crafted perfectly so that political points can be made. But there is just that little backdoor that says, you know what, even though we kind of like the Senate language, we like the fact that they are putting together ideas, we like the fact that the Governors are coming to the table, we heard all of that rhetoric, even though we want to make some political points today, there is a little bit of a backdoor so we can all vote for this and say Medicaid program, as most of our Governors would suggest, is unsustainable. It is unsustainable whether you are in the capital of your State or whether you are in Washington, D.C. And that is why we need to come together as Republicans and Democrats, in order to fix this.

So I appreciate the way the gentlewoman has crafted it. I am going to urge my colleagues to vote for the motion to instruct. It is well-crafted, to give everybody the opportunity to make the political points, to issue your press releases. I know you are going to do that. Knock yourselves out. I am sure they are already on the fax machines. But in the meantime, after all of the fax paper has cleared the air, let us sit down and talk about ways to fix this program so it actually does help people who are in need and were truly meant to be the focal point of this program 40 years ago and which has rarely been changed from a Washington perspective ever since.

Madam Speaker, I reserve the balance of my time.

Mr. HERSETH. Madam Speaker, I yield 5 minutes to my good friend, the gentleman from Maryland (Mr. HOYER), the distinguished Democrat who is going to support this and extend his remarks.

Mr. HOYER. Madam Speaker, I thank the gentlewoman for yielding me time. And I thank her for her leadership on this very important issue.

Cleverness says that when you are going to lose, declare victory. That is what the gentleman from Iowa (Chairman NUSSELI) is going to do; he is going to declare victory. Because what he says is there is consensus on his rhetoric. He is correct.

What there is not consensus on are the policies pursued by the chairman, the Committee on the Budget, and the majority leader. The chairman’s budgets have put America $2.4 trillion in additional debt from when he took over just 4 years ago. As a result of putting in $2.4 trillion in additional debt, we are having trouble paying our bills.

This year alone we are going to have a budget deficit of half a trillion dollars. They do not count some of it. They pretend some of it is emergency spending, and they do not even count AMT fixes. There are a lot of things that they do not count. But the fact of the matter is that their policies undercut their rhetoric, and the reason the chairman is going to support the gentlewoman’s resolution is because of this chart: 41 of his Republican colleagues who said this is bad policy, do not do it. Not Democrats, Republicans. Forty-four of them.

Madam Speaker, I thank you for signing on to that letter, because you knew that the policies proposed by the Republican budget were, in this instance, not policies you wanted to pursue.

Madam Speaker, less than 4 weeks ago, on March 31, the President of the United States said, “The essence of civilization is that the strong have a duty to protect the weak.” On that very same day, the majority leader in this body, the gentleman from Texas (Mr. DELAY), stated, “The one major responsibility of a government is to protect innocent, vulnerable people from being preyed upon.”

I absolutely agree that we not only have a duty but we have a moral responsibility to protect the weakest and most vulnerable citizens in our Nation. That, I tell the chairman of the Committee on the Budget, is what Medicaid is all about. And the gentleman’s rationalization that Medicaid must be fixed, in which he is also correct, we all agree. But like your Social Security solution, of privatizing Social Security because it has financial problems, real troubles, the solution that does not affect solvency at all, is an empty solution, because you do not know how to solve it yet because you
have not come across with a suggestion.

All you have said is to cut the legs out from the most vulnerable, which Medicaid serves. That is what you have said. That is why these 44 colleagues of yours, not Democrats, Mr. Chairman, Rep. DELAY is correct. Vote for the budget. You know you are going to lose this motion, and so you are going to agree with this motion on some rationalization that we suggest a commission to come up with a solution, because you are not the only right: we know that we have to come up with a solution because we cannot let down the most vulnerable in our society.

But I do not understand, notwithstanding the Speaker’s rhetoric, notwithstanding the rhetoric of the gentleman from Texas (Mr. DELAY), notwithstanding the chairman’s rhetoric, notwithstanding the President’s rhetoric; if the President, the majority leader, and the House Republicans are truly concerned about protecting the weak and vulnerable, why are they so intent on slashing Medicaid funding so deeply?

The fact is, Medicaid finances health care for more than 58 million Americans, including 28 million low-income children, nearly 16 million parents, and nearly 15 million elderly and disabled citizens. Yet the House Republicans’ budget would cut Medicaid funding by $20 billion over 5 years, a cut so draconian that 44 House Republicans, as I said, have said no to that cut.

I urge my colleagues to support this motion to instruct. My understanding is the chairman is going to support it. I am pleased about that, but nobody ought to misunderstand that “this is a political judgment that we are going to lose, so we will pretend that we win.” He did the same thing when the gentleman from South Carolina (Mr. SPRATT) offered his motion and we were going to win last year.

We need to protect our vulnerable citizens. The President of the United States is correct, the gentleman from Texas (Mr. DELAY) is correct. Vote for this motion to instruct. Not only that, I hope the Chairman will take this motion to instruct not just as a request, but as a moral duty.

Mr. NUSSLE. Madam Speaker, I yield myself 2 minutes.

I want Members who are listening, maybe in their offices or here on the floor, and anyone else that is interested in listening to this debate today, listen for four things. Listen to whether you hear anyone come to the floor today and defend the Medicaid program as it stands today as perfect. My colleagues did not hear the gentleman from Maryland say that, because, of course, he does not agree with that. Listen to hear if you hear any Member come to the floor and say, although not, you cannot find a nickel’s worth of savings in the program. You will not hear any Member come to the floor today and say that. I dare say the gentleman from Maryland would not say that.

Listen to this: Did the gentleman say he was against reform? Of course not. The gentleman from Maryland knows that in Maryland, in Iowa, the program is in trouble. He is going to meet the needs of a changing world and meet the needs of its original mission. And listen to hear whether you hear any of them come forward and disagree with the bipartisan result of the Governors who came together and said not one Governor will come today. I would dare say, and suggest that they are going to disagree with the Governors who come forth with ideas. My colleagues will not hear that.

So make your political points; even bring in Social Security. Did my colleagues hear that one? Social Security was even raised today. Boy, we are going to hear all sorts of great arguments, but we will not hear one that says we cannot change this program because it is perfect, we are against reform, and we disagree with the Governors. We will not hear that. That is why we need to move forward with a reform of the Medicaid program ushered in by this budget.

Madam Speaker, I reserve the balance of my time.

Ms. HERSETH. Madam Speaker, I yield 30 seconds to the gentleman from Maryland (Mr. HOYER).

Mr. HOYER. Madam Speaker, I say to the chairman of the Committee on the Budget, my suggestion is to come forward with a reform program. Let us consider it. But do not cut vulnerable people prior to coming up with solutions. Do not make them pay the price of losing Medicaid while we are trying to solve the problem. Let us solve the problem.

The gentleman is right, and we are not going to come to the floor saying there is no problem. But we are going to come to the floor and say, do not have vulnerable people let down while we are trying to solve that problem.

Mr. NUSSLE. Madam Speaker, I yield myself 15 seconds to just say I have a reform idea right here from the Governors that I would agree to right now.

Mr. HOYER. Madam Speaker, if the gentleman will yield, the gentleman is on the Committee on Ways and Means. Pass it and make it policy.

Mr. NUSSLE. Madam Speaker, re-claiming my time, the Committee on Energy and Commerce has jurisdiction. But be that as it may, I yield myself 15 more seconds to say that all I am suggesting is there are some good ideas that are out there, and the budget is a vehicle to accomplish a reform schedule. That is what we are trying to agree to, and I appreciate the fact the gentleman wrote the motion to instruct to give us the opportunity to meet that bipartisan schedule in a bipartisan way, I hope.

Madam Speaker, I reserve the balance of my time.

Ms. HERSETH. Madam Speaker, I yield 2 minutes to the gentleman from Michigan (Mr. DINGELL), my esteemed colleague and ranking member of the Committee on Energy and Commerce.

Mr. DINGELL. Madam Speaker, I rise in strong support of this motion to instruct, and I observe that this motion instructs the conference to recede to the Senate position. Instead of Medicaid cuts, a nonpartisan, independently appointed commission would be instructed to come up with improvements in the program. That is exactly what the gentleman from Iowa suggests.

Now, let us look. There is money here to make a better use of public funds. The MEDPAC, the Medicare Payment Advisory Commission, ob-"
But I know someone who wants to do something.

Madam Speaker, I yield 3 minutes to the gentleman from Georgia (Mr. DEAL), the very distinguished chairman from the Committee on Energy and Commerce.

Mr. DEAL of Georgia. Madam Speaker, I thank the gentleman for yielding me this time.

As I look across the aisle, I see some of my colleagues who work with me on the Committee on Energy and Commerce, and I truly believe that all of us want to do what is right. We want to find a solution.

The fact is that the issue is one that on a bipartisan basis Governors say has to be dealt with. In fact, as recently as only over a week ago, Governor Mark Warner, a Democrat Governor of Virginia, who is the chairman of the Governors' Association, National Governors' Association, had this to comment: "We are on our way to a meltdown." That is the message that we hear repeated when we talk with Governors. And the reason is that the cost the States have exceeded the cost of both elementary and secondary education in their State budgets, and they need relief. The relief that they seek in the current system is to come to Washington and ask for a waiver, and the Governors come and say to us at the Federal level, the program that you have in place is too rigid. It does not allow us the flexibility to deal with the problems that we face in our State to give the best health care to our citizens. So they are asking for waivers.

I, for one, and I commend the gentleman from Iowa (Chairman Nussle) for his efforts in this regard; I believe that now is the appropriate time for us to give this program that relief that I think that relief should come in the form of changing the program.

I had a Governor recently who said his approach to it is to ask the question, what would drafting Medicaid today, would it look like what it looks like now? And everybody agrees it would not.

So I think this is an opportunity, one that we should not allow to be bypassed, one that we should work cooperatively across the aisle here in this body, as the Governors are working in a bipartisan fashion of their own. The gentleman from Iowa (Chairman Nussle) alluded to some points that the Committee and I have agreed to on a bipartisan basis, and certainly those are very significant. The score that I see now is about $8.6 billion on the score that I have seen on the parts that they have agreed to. I think there will be more steps that we will hear some very innovative suggestions from the Governors, and I think that if we work together and put aside our partisanship and try to do what is not only best for the citizens, we represent in our Congress, but what our Governors do in our respective States and, working together, we will arrive at a solution.

Ms. HERSETH. Madam Speaker, I yield 1 minute to the Democratic leader, the esteemed gentlewoman from California (Ms. Pelosi).

Ms. Pelosi. Madam Speaker, I thank the gentlewoman for yielding me this time. I want to congratulate her leadership in bringing this very important motion to instruct to the floor.

It is crystal clear, Madam Speaker, that a majority of Members in both bodies oppose cuts to Medicaid. The other body voted to remove such cuts on the floor of the Senate. With 44 House Republicans signing a letter calling for no Medicaid cuts and a solid Democratic opposition, a majority of this body also prefers a solution with no Medicaid cuts.

The regular order, as my colleagues know, Madam Speaker, is to appoint conferees, instruct those conferees, resolve differences with the other body, and report back a conference agreement. But the Republican leadership knew that to protect Medicaid, so rather than follow the regular order, they negotiated behind closed doors to include Medicaid cuts in the final budget report, regardless of how the majority in both Houses vote and how they vote in this House on the motion to instruct.

I usually do not like to talk about process in the House, but this is a time when process has a very direct impact on policy, and a policy that has a direct impact on the health of the American people.

Press reports indicate that the final agreement between the House and Senate will contain between $8 billion to $10 billion in Medicaid cuts. This conference report would not only ignore the will of the majority of both houses but, according to the Congressional Budget Office, it would include deeper cuts than originally proposed by the President, and vehemently opposed in both houses.

Madam Speaker, States have undergone a wrenching budget process. When the President first proposed Medicaid cuts in early February, many Republican Governors spoke out against them. One of them, Republican Governor Mike Huckabee of Arkansas, said, "People need to remember that to balance the Federal budget off the backs of the poorest people in the country is simply unacceptable." It is unfortunate, it is standard operating procedure for the Republican leadership in Congress.

I am hopeful that a significant number of Republicans will join our motion to instruct, being true to the letter that they sent opposing cuts, and protect Medicaid.

If Congress cuts Medicaid funding, States will be forced to reduce Medicaid coverage or benefits, jeopardizing needed services for low-income Americans. Over the last 4 years, more than 5 million people have joined the ranks of the uninsured. That number would more than double if it were not for the Medicaid program.

Make no mistake: Cutting Medicaid funds will increase the number of low-income Americans who are uninsured to partially pay for $70 billion in tax cuts. Many of these uninsured poor Americans are children. I do not think that it really is a statement of our values: a budget that values care for our children, for the poorest children in America, in order to give the tax cuts to the wealthiest people in America.

And yet at the end of the day, this budget will do all of that and increase our deficits. This is wrong. This is unjust. And I urge my colleagues to vote for this very important motion to instruct to return a conference report to this body with zero Medicaid cuts.

Mr. NUSSEL. Madam Speaker, I yield 4 minutes to the distinguished gentleman from Florida (Mr. Putnam), a member of the Budget Committee.

Mr. Putnam. Madam Speaker, I thank the chairman for yielding me some time. It is interesting to hear the comments of the distinguished minority whip and minority leader. But I am concerned about some serious issues about how such a great party and the party that gave birth to some of the pillars of domestic policy in this country, has become the party of denial, the party of doing nothing.

When it comes to discussing Social Security reform, their answer is, do nothing. We have until 2040 or 2041. When it came to reform Medicare and even enrich and modernize the benefits available for seniors, their answer was vote against it. Do nothing.

And here today we are discussing a third pillar of domestic policy in this country that helps enrich the lives and provides a safety net for so many of those who are less fortunate in our society, and to put forward a reform proposal, and their answer is to do nothing.

Governor Mark Sanford, the Governor of the State of the ranking member of the Budget Committee, said the subject of Medicaid reform is important and timely. Our system, as currently configured, works fundamentally against the taxpayer and against the consumers in the form of Medicaid recipients and patients.

Governor Blunt of Missouri and Governor Granholm of Michigan, agreed that the program is unsustainable.

Governor Vilsack of Iowa: "If you do the numbers, they just do not add up."

The South Dakota Governor, opening the legislative session, bemoaned the dramatic increases in how they are cutting into available funds for other folk, for other programs, and pointed out that the State health care program is growing at a 2 percent rate and Medicaid is going up at 18 percent, something that is unsustainable. Governor Blunt, on a bipartisan basis, have already, after this subject just coming forward weeks ago under the leadership of the gentleman from Iowa.
Ms. HERSETH. Madam Speaker, I yield 1 minute to the gentleman from South Carolina (Mr. SPRATT), ranking member of the Budget Committee.

Mr. SPRATT. Madam Speaker, let me say in response to the last speaker that this party proudly presented a budget resolution that brought the budget to balance in the year 2012 and did not have any hidden gimmicks behind the scenes or back room deals. We have a budget that is an honest one.

And lest there be some misunderstanding, this budget makes the deficit worse, not better, because it calls for $106 billion in additional tax cuts. And the primary purpose and function and reason for these Medicaid cuts is to diminish the $106 billion so it does not swell the deficit any more grossly out of proportion than it already is. This does not solve the budget problem. It only reduces the bottom line at all. It leaves us with a bigger deficit because it only partially offsets the $106 billion in tax reduction that the resolution also calls for. So it is not necessary. And that is recognized by the 44 Republican House Members who signed the letter urging that this resolution not contain any cuts in Medicaid.

Mr. NUSSELS. Madam Speaker, I yield myself as much time as I may consider.

I want to make sure people are, and Members are, listening to this debate and are reading the language, because again, if you want to come down here and vote politics again, you want to put your dishes and fax machines are going whizzing around, hey, knock yourselves out. But we have got a job to do down here, and we should read the language in front of us. And, again, that we should not report a reconciliation bill that achieves spending reductions. I just want to make sure people understand that, because I want to give you the actual numbers for Medicaid. If you are bored about numbers, turn down the volume, but I quote you that there is tremendous opportunity for savings, and that is the first draft.

I want to tell you what the Medicaid program is going to spend over the next 10 years. And I want you to listen to this. Every year, spending for Medicaid goes up. Every single year of the House budget, even before we talk about a compromise, we have got, of the six main proposals that up and to find out what savings we are saying, instead of growing at an average rate of growth per year of 7½ percent, we are saying in the House budget, again, if you want to come down here and are reading the language, because I want to give you the actual numbers for Medicaid. If you are bored about numbers, turn down the volume, but I quote you that there is tremendous opportunity for savings, and that is the first draft.

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that. But you will also, after all of the dust settles, come forward with your ideas the way Democratic Governors and Republican Governors have done, so that we can begin to resolve this issue and not just have rhetoric. We need results, not just the rhetoric of today. And that is what this budget accomplishes.

Madam Speaker, I reserve the balance of my time.

Ms. HERSETH. I would inquire as to the balance of our time remaining, Madam Speaker.

The SPEAKER pro tempore (Mrs. BIGGERT). The gentlewoman from California (Mr. STARK), ranking member of the Health Subcommittee of the Committee on Ways and Means.

(Mr. STARK asked and was given permission to revise and extend his remarks.)

Mr. STARK. Madam Speaker, I guess I would be willing to suggest that the Medicaid programs are perfect, but for one major problem, and that would be the Republican Party in the Congress of the United States. What changes would I make? I would enforce the ethics rules to keep their hands out of the pockets of the lobbyists for the pharmaceutical industry who fly them about in jets and give them hundreds of millions of dollars in campaign contributions, which keeps them from allowing reimportation of drugs which would save many of the Governors a good bit of money on their Medicaid programs.

Changing the ethics rules that let people who might make unethical moves would be another great move, so it would prevent the managed care industry from getting extra money in the Medicare bill which would prevent the Republicans having the money to help Medicaid.

The Medicaid growth is due largely to the lousy job the President has done in job growth, the worst job since Herbert Hoover and the last Republican who had low job growth which increased the demand on Medicaid and the number of poor children and low-income workers who are forced to get their medical care through Medicaid because they are out of work through no fault of their own.

So if we would have decent ethics rules, if we would allow reimportation of drugs, if we would stop allowing the lobbyists to buy votes, we would be able to get the kinds of reform that are needed and is currently available in the excesses we are paying to the pharmaceutical industry and the excesses we are paying to the managed care industry which the chair of the Committee on the Budget understands very well, and that is the reform that is needed.

Change Congress. Make the Republicans behave in an ethical manner, and you will have the money for Medicaid.

As Hubert Humphrey once said, "The moral test of Government is how that Government treats those who are in the dawn of life, the children; those who are in the twilight of life, the elderly; and those who are in the shadows of life, the sick, the needy and the handicapped."

With all due respect for many of my colleagues, none of us could more eloquently make the case for Medicaid, which takes care of those in the dawn, twilight and shadows of life.

Yet the budget we are going to consider this week fails the moral test of government by requiring savings that will result in deep cuts in Medicaid and other programs that serve low-income, vulnerable populations.

A budget is a statement of priorities. Once again, we are faced with a Republican budget that put tax breaks for the rich and payola to corporate interests, ahead of basic government obligations.

Just as when we debated the Medicare bill in 2003, and now we will be asked to vote on entitlement policy without adequate information as to its effect. We do not know, for example, how the cuts will be distributed across states and populations. How many people will lose coverage? How many states will be forced to raise taxes—and by how much.

To make up for the shortfall in funding and increased need?

The saddest part of this debate is that Republicans don't need to target Medicaid. We can raise more than the amount Republicans expected to extract from Medicaid and income security programs simply by eliminating the overpayments currently paid to Medicare HMOs.

We pay these plans more than we would for care provided through traditional Medicare. That's wrong!

In fact, MedPAC—the non-partisan Congressional advisory commission—has recommended that Congress enact changes that would result in "payment neutrality." Doing so would result in savings of more than $21 billion over 5 years—more than enough to offset this budget's proposed Medicaid cuts.

Sadly, I doubt Republicans will go after this low-hanging fruit. It would eviscerate the protest from their contributors. Consider this budget a word of warning to individuals in the dawn, twilight and shadows of life.

Those who run on a moral values platform should consider that when they cast their votes on the budget this week.

Vote for the Spratt Motion to Instruct, and against the whole of this week.

Ms. HERSETH. Madam Speaker, I yield 2 minutes to the gentlewoman from California (Mrs. CAPPS).

Mrs. CAPPS. Madam Speaker, I rise in support of the Herseth motion to instruct conferees.

The House-passed budget cuts, $20 billion for Medicaid. It denies States, health care providers, and low-income working families $20 billion for health care services they vitally need. While closing loopholes and fighting waste, fraud and abuse is important, there is no way it is going to save near that amount.

As our colleague from South Dakota has forcefully stated, a clear majority of the Congress opposes these cuts, and for good reason.

Medicaid provides health care to 52 million low-income children, pregnant women, parents and the elderly. It is a critical source of acute and long-term care for 15 million elderly and disabled. There are millions of people who would otherwise have been uninsured. Even so, Medicaid costs have grown about as fast as private health care insurance premiums.

Between 2000 and 2003, Medicaid per capita spending went up by 6.9 percent, while private insurance premiums went up almost twice that amount, 12.6 percent. And the growth in costs we have seen as a result of the skyrocketing health costs this President has allowed, not Medicaid itself.

If these cuts in Medicaid are made, the ranks of the uninsured are surely going to increase even more, weakening our economy, and health care would be more expensive because of fewer regular checkups and preventative measures and a rise of emergency room procedures. That is why the National Governors Association opposes these cuts. It is why faith-based organizations across the board oppose these cuts. Organizations like the March of Dimes, the National Association of Children's Hospitals, the American Academy of Pediatrics and the AARP all oppose these cuts. That is why a majority of the Congress opposes these cuts.

I urge my colleagues to vote for this motion. Tell the conferees to remove Medicaid cuts from this budget.

Mr. NUSSLE. Madam Speaker, who has the right to close?

The SPEAKER pro tempore (Mrs. BIGGERT). The proponent has the right to close.

Mr. NUSSLE. Madam Speaker, I am the final speaker so I will reserve the balance of my time.

Ms. HERSETH. Madam Speaker, I yield 2 minutes to the gentleman from Michigan (Mr. STUPAK).

Mr. STUPAK. Mr. Speaker, I urge my colleagues to support the Herseth motion to instruct; and I thank the gentlewoman for her leadership as we stand with seniors, with disabled Americans, with working families, and with children as we unite against these Medicaid cuts.

This Medicaid program is working but it is often cut out of funded by the Republican-controlled majority in this Congress. Medicaid accounts for 25 percent of Michigan's budget. With an aging population and a weak economy where manufacturing jobs are being shipped abroad, we can ill afford to cut the dignity that is used from under our most needy citizens.

This House resolution would require between 15 and $20 billion in cuts in...
Medicaid over 5 years. How can we ask between 1.8 to 2.5 million seniors, children, and low-income, hardworking families to sacrifice so there can be another $106 billion in tax cuts?

We have a responsibility to look at ways to modernize Medicaid, to help our States and provide better health care, but it is heartless to subject our most vulnerable citizens to the meat-ax approach of this budget.

This motion to instruct conference asks to reject the Medicaid cuts and calls for a bipartisan, independent Medicaid commission to address the concerns.

Michigan’s Medicaid program has grown 30 percent in 4 years, serving roughly 1.4 million citizens or 1 out of every 7 Michiganders. Who are these citizens? In 2004 Michigan Medicaid paid for about 70 percent of all the nursing home care in our State, 40 percent of all the births in our State; 27 percent of the adults on Medicaid have a job and are working. The State is meeting the growth in beneficiaries while holding down spending to approximately 1.5 percent a year.

It is not fair to stand up for their most vulnerable citizens and against these Medicaid cuts. It is the right thing to do. It is the moral thing to do. Vote for the motion to instruct

Ms. HERSETH. Madam Speaker, I yield 2 minutes to the gentleman from Ohio (Mr. BROWN).

Mr. BROWN of Ohio. Madam Speaker, 44 Members on the Republican side defied their party, not because some deep-pocketed lobbyist asked them to, but because fighting for people in desperate need was and is the right thing to do. Medicaid health and long-term coverage is already limited to the impoverished elderly in nursing homes, the lowest-income children, and other vulnerable populations. My friend, the gentleman from Iowa (Mr. NUSSLE) expressed concerns about Medicaid costs and pointed out that actually grown. I think he must know that private insurance growth in this country is greater than 12 percent, Medicare costs are going up around 7 or 8 percent. Medicaid costs are going up only about 6 percent, half the pace of private insurance. There is no cost-effective alternative to Medicaid. Medicaid is the cost-effective alternative.

Medicaid cuts would not only jeopardize 5 million elderly Americans who would lack access to nursing home care without it, these cuts would place every nursing home resident, on Medicaid or not, in this country at risk. Each year, nursing homes serve 2.5 million Americans. Medicaid covers 70 percent of these Americans.

The very health and safety of nursing home residents hinges on adequate Medicaid funding. As it stand, Medicaid funding is insufficient to cover both those Americans who need nursing home services and those who need home and community-based care.

If the Federal Government makes further cuts in Medicaid, we must take responsibility in abandoning people who have no where else to turn.

Two-thirds of people in nursing homes have no living spouse or relative. The fact is we, the Medicaid program, the Federal Government, are all the family who cares for them that they have.

I hope that before any Member of this body votes against this motion, you might just imagine trading places with an elderly American in a nursing home. Put yourself in their shoes; then decide whether starving Medicaid is responsible for reprehensible.

Ms. HERSETH. Madam Speaker, I yield 3 1/3 minutes to the gentleman from South Carolina (Mr. SPRATT).

(Mr. SPRATT asked and was given permission to revise and extend his remarks.)

Mr. SPRATT. Madam Speaker, I thank the gentlewoman for yielding me time.

Madam Speaker, the House and the Senate passed their own versions of budget resolutions on March 17. That was more than a month ago. I am glad that we finally are going to conference because that will bring the deliberations on the budget at least a bit out into the open. And if there is any aspect of the budget resolution that needs to be fought into the open and resolved with a public debate, all the stakeholders included, it is this provision that we have been discussing, and that is a provision that would cut Medicaid, over 5 years, by $20 billion.

This motion to instruct conference is a job and is working. The State is actually rising higher faster than Medicare costs and private health care is actually rising higher faster than Medicaid.

Medicaid is one of the ways this budget resolution is actually penalizing senior citizens, and particularly children, because so much of our children’s hospitals, so much of their funding comes from Medicaid because they deal with children totally.

I know in Houston, the Texas Medical Center, we have the Texas Children’s Hospital, over 50 percent of their funding comes from Medicaid because they take care of children. We have to deal with health care costs, but let us not balance it on the backs of our children and our senior citizens.
Medicaid reform.

Lions of dual eligible beneficiaries.

The Medicare Modernization Act for the million commitments has caused a strain on funding averages 22 percent of state budgets. This sever strains on state budgets. Our most relevant states, as Medicaid continues to impose billions and finances the care for 70 percent of the dual eligible population. Medicaid currently case load increases of approximately 33 percent per year for the last three years. Total Medicaid costs, however, are growing at a rate of 12 percent per year and now total Medicaid expenditures exceed that of Medicare primarily beyond the control of states. First, states, over the last four years, have experienced large and state governments. Reform, however, et reduction and reconciliation process, especially if it does nothing more than shift additional costs to states.

Governor committed to administering the Medicaid program in a very cost-effective way, and as equal partners in the program have a tremendous incentive to continue doing so. This is reflected in the fact that the annual growth in Medicaid per capita spending has not exceeded approximately 4.5 percent per year, substantially below the growth rate of private health insurance premiums, which have averaged 12.5 percent per year for the last three years. Total Medicaid costs, however, are growing at a rate of 12 percent per year and now total Medicaid expenditures exceed that of Medicare primarily due to two major factors that are largely beyond the control of states. First, since the last four years, have experienced large case load increases of approximately 33 percent. Second, and far more costly to states, are the impacts of long-term care and of the dual eligible population. Medicaid currently accounts for 50 percent of all long-term care dollars and finances the care for 70 percent of all people in nursing homes. Furthermore, 42 percent of all Medicaid expenditures are spent on Medicare beneficiaries, despite the fact that they comprise a small percentage of the Medicaid caseload and are already fully insured by the Medicare program. Benefits for the dual eligible population should be 100 percent financed by Medicare.

We are maintaining the status quo in Medicaid is not acceptable. However, it is equally unacceptable in any deficit reduction strategy to simply shift federal costs to states, as Medicaid continues to impose sever strains on state budgets. Our most recent survey of states shows Medicaid now averages 22 percent of state budgets. This commitment has caused a strain on funding for other crucial state responsibilities. These funding challenges will become more acute as states absorb new costs to help implement the Medicare Modernization Act for the millions of dual eligible beneficiaries. We look forward to working with you on Medicaid reform.

Sincerely,

GOVERNOR MARK R. WARNER, Governor
GOVERNOR MIKE HUCKABEE, Vice Chairman

Ms. HERSETH. Madam Speaker, I reserve the balance of my time.

Mr. NUSSLE. Madam Speaker. I yield my time to the

Madam Speaker, those who actually administer the Medicaid program, our State Governors, have clearly told us in a bipartisan way that Medicaid must be reformed.

Wake up.

For those of you who are about to vote on this motion, this is a good motion. What it does is it says it is time to reform the program. It is time to consider the billions and of money that the Governors have put forth in a bipartisan way. They have clearly told us that their hands have been tied.

Their hands have been tied, Madam Speaker, by a program that is inefficient. It is ridiculously out of date, a health care delivery system that has not and will not under its current structure deal with the demands of the 21st century.

There is not one Governor that is suggesting do nothing. There is not one Member on the Republican side of the aisle that is suggesting do nothing. The 44 Governors who signed the letter saying we are concerned about the future of Medicaid, they are not saying do nothing.

Everyone who is interested in the reformation of this program understands that the budget cuts and the schedule and an opportunity to finally get our arms around the Medicaid program.

I understand that there are going to be all sorts of political press releases put out about ganging up and all sorts of things like that; but if anyone is interested in the actual technical language of the budget, they will discover that every single year the program under the House budget grows, every year.

What we are suggesting is that, with reform, it does not have to grow as much. Instead of growing at 7.5 percent, it can grow at a level a little lower, maybe 7.3 percent or 7.4 percent. Every year it should still grow because there are vulnerable people, there are senior citizens, there are people with disabilities who rely on this program. Our States rely on this program. We rely on this program in order to meet the needs of many people in this country who cannot help themselves. Do not let anybody fool my colleagues. No one came to the floor today in support of this motion and said the program’s perfect; the Governors are wrong; we do not like what they came up with; we do not think we should reform the program.

In fact, let us look at the reforms they have come up with. They have said let us restructure the pharmacy reimbursement to more closely align with the Medicaid Act and pharmacy costs. That alone will save $5 billion. Bipartisan support from the Governors. I dare say we could support that here today.

Second proposal, revising what is called “asset transfer.” That will save the government $14.4 billion. Bipartisan support by the Governors.

Please do not come to the floor or issue press releases today that says do nothing. I understand my colleagues want to make a political point. That is fine. That is what motions to instruct conferees often do, but we are going to vote on a budget later on this week that says it is time to do something, it is time to reform the program. It is time to save a little bit of money and improve a program that is for our most deserved people, people who cannot help themselves. This is something we can do in a bipartisan way.

The same way Governors in a bipartisan way have come forward with their ideas, I would invite all Members to let their members of the Committee on Energy and Commerce know what their ideas are because we are going to go forward with reform. It is not going to actually cut any money. It is going to find savings. It is going to improve a program. It is going to reform it.

If the gentlewoman, who is the proponent of this motion, thinks the program is perfect, let her say so. If she thinks that we can do nothing, let her say so. If she thinks the Governors, let her say so. But no Member has come to the floor to say that yet today.

So that is why we should support this motion and move the budget forward to reform the Medicaid program and save some money as well.

Ms. HERSETH. Madam Speaker, I yield myself such time as I may consume.

I want to thank all of my colleagues who spoke in support of this motion to instruct conferees, including the gentleman from Iowa (Chairman NUSSLE) and his willingness to encourage his Republican colleagues to support this important motion.

In response to the closing of the gentleman from Iowa, I do not stand here today, nor do my colleagues, suggesting that we do nothing; I do not stand here today suggesting we cannot find a way, I do not stand here today suggesting that we cannot find a way, in a bipartisan manner, to reform Medicaid.

To the extent that there are press releases that go out to constituents who will be breathing a sigh of relief, from Governors to health care providers, to advocates of disabled citizens and the elderly and children, it will be that we found agreement in this body to supplement the important work of the Governor across this country to undertake real reform, to find those savings but not to let arbitrary cuts drive the reform; and that is exactly what the House budget resolution did. It is exactly what this motion to instruct conferees attempts to set right.

Then in my generation understand that we cannot do nothing, whether it comes to Social Security reform or Medicaid reform; but we also understand that the facts speak for themselves: that we have time to do this right, rather than to work so fast and to let arbitrary cuts of $20 billion over 5 years drive the reform; that it should truly have a commission and the $1.5
million today this motion to instruct would encourage to have set aside in the reserve fund to have a bipartisan commission undertake this important task of reform.

Mr. HOLT. Mr. Speaker, I voted against the FY2006 Concurrent Budget Resolution that was reported by the House Budget Committee and narrowly passed the House on a 218–214 vote last month. I did so for a variety of reasons.

First, President Bush and the majority party in this Congress want us to keep borrowing against our future and that of our children, and perhaps their children. The budget deficit for this year is a record $427 billion. We added $114 billion to the deficit in February, the first time it has ever gone over $100 billion in one month. This is how we have added more to the national debt in the past four years than in the prior two centuries of our nation’s history.

Therefore, a vote in favor of this budget resolution is a vote for more “borrow and spend” policies that are responsible for our country’s current fiscal plight.

Second, the House-passed budget plan shortchanges many Americans who are most deserving or in need of help, including our veterans, children, and elderly. At the same time, it slashes funding for many of our nation’s important priorities—education, healthcare, AMtrak, and alternative transportation and energy initiatives, homeland security, environmental protection, job training, research and development, and small business innovation.

Let me cite a few glaring examples. The House-passed budget cuts veterans’ health care by $14 billion below what is currently needed over the next five years. These cuts can only be achieved by imposing new fees for veterans’ healthcare, or by reducing veterans’ benefits such as disability pay, pension benefits, or education benefits.

It actually cuts funding for education programs by $2.5 billion for next fiscal year relative to Fiscal Year 2005, and $38 billion over the next five years below what is needed to maintain the status quo. It actually matches the budget President Bush sent to Congress last month, intended for the elimination of 48 education programs worth $4.3 billion. These cuts will include $1.3 billion less for vocational education, as well as less funding for elementary, secondary, and college aid programs.

It also fails to protect and strengthen Social Security. It calls for spending every penny of the Social Security Trust Fund surplus to continue tax breaks for the wealthiest Americans. Unlike the alternative budget plan I voted for, the House-passed budget plan contains no budget enforcement mechanisms to protect the current surplus Social Security Trust Fund. Instead, President Bush and the supporters of this budget resolution advocate a Social Security privatization scheme that would weaken Social Security upon which so many elderly and disabled Americans depend just to make ends meet. In fact, there is not one cent in the House-passed budget plan to meet any of the $754 billion price tag needed between now and 2015 to create private accounts.

Third, the House-passed budget resolution is incomplete and misleading. It does not address the ongoing costs of the U.S. military occupation of Iraq and the war on terrorism.

Then, the budget also invokes an assumption that economic growth will reduce deficits. In fact, it fails to show any deficit figures at all after 2010. Budgets should not be based on wishful thinking.

How is it that we confront both increased deficits and increased spending in the same budget? Because the majority party in this Congress continues to push tax cuts for those who need them the least. The results are growing inequality in American society and mounting anxiety in financial markets.

I believe this Congress can and should make better choices and adopt a much more balanced and fiscally responsible alternative budget plan—one that more closely reflects the values of most Americans, the sacrifices of our men and women in uniform, and the aspirations of our children. That is why I voted for the alternative budget plan offered by my colleague, U.S. Representative JOHN SPRATT of South Carolina. Had it been adopted, it would have insisted upon more fiscal discipline with budgets that pay as you go this year and beyond. It would have offered more help for education and research to achieve greater financial security. That means investing more in the American people and in deserving programs to help create good-paying jobs, improve education, lower healthcare costs, make college more affordable, grow small businesses, and create jobs for our veterans and military families, protects our homeland, and promotes environmental sustainability.

In so doing, we could build upon what has worked in the past when our economy was growing by leaps and bounds and creating millions of new jobs as never before.

We could abandon the fraud of supply-side economics, once and for all, step up, and reassert control over shaping our preferred economic future—one that offers more good jobs, a higher standard of living, and real economic opportunity for all of the American people. Sadly, this budget resolution takes us farther down the wrong track.

If we want to strengthen our economy again, in the future, if we want to create new, good-paying jobs for all of our people, and promote the kind of economic-based, sustainable economic development, then I believe we must become more creative and provide more support from the public and private sector for cutting-edge research and development. We have to stop borrowing and spending. We have to stop eating our seed corn. We have to provide increased and more sustained support from the public and private sectors for basic research and development.

Up to now, America has always been a nation of explorers, creators, and inventors. We need a Congress that understands the need for basic research and follow-on commercial development into a new age of economic growth and prosperity. But the budget resolution approval in the House last week does none of this. The supporters of the Republican budget plan don’t want to keep faith and invest in the American people, increase federal support for research, development, and entrepreneurial drive, and rebuild American competitiveness in the global economy. If they did, they could not in good conscience have voted for the skewed priorities of the recently-approved budget resolution and the Draconian, counterproductive cuts it will dictate.

Ms. HERSETH. Madam Speaker, I yield back the balance of my time.