Mr. MARCHANT changed his vote from "aye" to "no."

So the resolution was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

Stated against:
Mr. TIAHRT. Mr. Speaker, on rollcall No. 376 I inadvertently voted "aye" on rollcall No. 376, adopted "of the rule for the Conf. Rpt. on the FY '08 budget. I would like the RECORD to reflect that I meant to vote "nay."

CONTINUATION OF THE NATIONAL EMERGENCY WITH RESPECT TO BURMA—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES (H. DOC. NO. 110-35)

The SPEAKER pro tempore laid before the House the following message from the President of the United States, which was read and, together with the accompanying papers, without objection, referred to the Committee on Foreign Affairs and ordered to be printed:

To the Congress of the United States:

Section 202(d) of the National Emergencies Act (50 U.S.C. 1622(d)) provides for the automatic termination of a national emergency unless, prior to the anniversary date of its declaration, the President publishes in the Federal Register and transmits to the Congress a notice stating that the emergency is to continue in effect beyond the anniversary date. I have sent the enclosed notice stating that the emergency is to continue beyond May 20, 2007.

The crisis between the United States and Burma arising from the actions and policies of the Government of Burma, including its policies of committing large-scale repression of the democratic opposition in Burma, which led to the declaration of a national emergency on May 20, 1997, has not been resolved. These actions and policies are hostile to U.S. interests and pose a continuing unusual and extraordinary threat to the national security and foreign policy of the United States. For this reason, I have determined that it is necessary to continue the national emergency and maintain in force the sanctions against Burma to respond to this threat.

GEORGE W. BUSH.
mandatory spending that is not paid for, and it funds "program integrity initiatives" to root out wasteful spending, fraud, and tax evasion.

Within this framework, our budget does more for veterans' health care, more for children's health care, and more for education in a nutshell are the basics of this budget:

This budget comes to balance in 5 years and runs a surplus of $41 billion in the year 2012. Contrast that with the President's budget, which remains always in deficit. This budget allocates $554 billion to discretionary spending, or about $75 billion more than this year, of which about $50 billion is for national defense. This total includes $450 billion for nondefense discretionary, or about $25 billion more than this year.

This budget not only abides by the PAYGO principles, it extends them, establishing a Senate PAYGO rule and calling for statutory PAYGO as well.

The concurrent resolution before us, like the House resolution, sets defense spending at levels the President requested, though it targets resources to the troops and conventional forces. It provides more for homeland security than the administration requested, and it funds the recommendations of the 9/11 Commission. So it is strong on defense, internal and external.

This budget does all of the above, and I would emphasize this, it does all of the above without raising taxes on the middle income tax cuts enacted in 2001 and 2003 all remain in force, unaffected in any way by this resolution. As originally written and enacted, most of the tax cuts expire on December 31, 2010. In our budget resolution, we separated out the middle income tax cuts and made it the policy of our resolution to extend those tax cuts when they expire.

In this concurrent resolution, we go even further. We install a trigger that facilitates the extension of these tax cuts so long as the House waives its PAYGO rule and so long as the tax cuts extended do not exceed 80 percent of the surplus projected by OMB for the year 2012.

This budget's basic objective is to get back to balance. That is the bottom line. In such a budget, we can't have everything we want, but we do believe that some promises should be kept above all others, for example, the promises we've made to our veterans. This resolution increases funding for veterans health care in 2008 by $6.7 billion, 18.3 percent above the current year.

We also do not believe that children's health care and education should be sidetracked while we seek to work out ways to balance the budget. This budget accommodates an increase of $50 billion to expand the Children's Health Insurance Program, or SCHIP, to cover millions of uninsured children. This budget also provides $4.6 billion over current services for education, job training and employment services. That includes more money for No Child Left Behind, for special education and student loans.

Lacking any other arguments, our friends from across the aisle, our Republican adversaries, will claim that this budget raises taxes, as they have repeatedly and wrongly. Let me answer that claim emphatically.

This budget does not raise taxes by one penny. Period. Not by one penny.

On the other hand, this budget resolution accommodates the extension of the middle income tax cuts, pays for a 1-year patch to prevent the AMT from coming down on middle income taxpayers, and calls for reform of the AMT, consistent with PAYGO principles, to save middle income taxpayers from this stealthy tax.

This budget is fiscally sound, a solid framework, is balanced from the top line to the bottom, and I urge support for it.

Mr. Speaker, I reserve the balance of my time.

Mr. RYAN of Wisconsin. Mr. Speaker, I yield myself such time as I may consume.

I would like to start off by congratulating Chairman SPRATT and the majority staff on the Budget Committee for reaching this point in the budget process. This is not easy. And they are to be commended for getting the budget up to this point.

I have long believed that the budget resolution is an important statement of congressional policy and a critical act of governing. So in a sense, I am glad to see this conference report here today. And the gentleman from South Carolina deserves credit for that.

That said, the choices in this budget, or some would argue, the complete lack thereof, represents an enormous missed opportunity, an enormous missed bipartisan opportunity.

The Democrats' fiscal year 2008 budget sets off a vicious cycle. Mr. Speaker. Higher taxes fuel higher spending and greater spending demand. In order to meet this appetite for greater spending, we are going to have to raise taxes again and again and again. Let's take a look at how this will work.

First, the linchpin of this budget, and numbers do not lie, check with the Congressional Budget Office, its only one binding fiscal policy is the same one that Democrats have been bringing to the floor time and again, "raise taxes." This budget will raise taxes on the American economy and American workers by at least $217 billion. That is the second largest tax increase in American history. And to be clear, their $217 billion tax increase is just an opening bid. It will last only until the majority can raise the ante.

As you may recall, Mr. Speaker, the House Democrats wanted and included in their budget $360 billion tax increase. That would have been the largest tax increase in history. But the Senate made it clear by a vote of 97–1 that they would not accept the House's number. So

from this conference report, it would initially appear that the House Democrats receded to the Senate's smaller tax number, the smaller tax increase, that's according to the CBO, that is, until you take a closer look at some of the fingerprints and gimmicks included in this report.

First let's look at the trigger. There is this so-called tax trigger. In short, this trigger will provide the majority with an immense loophole allowing them to remove on the way to protect certain high-profile tax benefits, and they can do it without leaving any fingerprints because it would all be automatic. All the Democrats have to do, believe it or not, is spend too much money, and that will set off the trigger and raise those taxes.

Mr. Speaker, they are saying in this budget they want to extend marriage penalty relief, the child tax credit and the Earned Income Credit. How is it that they spend too much money, guess what happens automatically? Those tax cuts go away.

Then there is the $190 billion worth of unfunded spending increases promised in this budget's reserve funds. If they actually deliver on these promised 23 wish list reserve funds, that's another tax hike.

Mr. Speaker, even their version of PAYGO, which they touted as proof of their commitment to fiscal discipline, is just a means to make it easier to raise taxes. What happens if they raise mandatory spending, Mr. Speaker? You guessed it. They have to raise taxes to pay for it.

So again, this $217 billion tax hike is just the starting bid. You can expect them to draw from that well again and again and again. Why is this a problem? Why do we have this huge difference in opinion, difference in philosophy of ideology of economic doctrines? Because the enormous tax increases will threaten the economic and fiscal progress our Nation has made these past several years.

I have said many times before, the tax decreases, the tax cuts we passed in 2001 and 2003 have turned this economy around, it brought us out of recession, it improved job growth, GDP growth. It lowered the unemployment rate. Business investment and the entire market rebounded. And all that growth has led to surging revenues coming into the Federal Treasury. Three years of double digit revenue growth at these lower tax rates. The tax hikes contained in this budget threaten to reverse all of this.

And think of the impact this tax hike will have on the small businesses that it hits. Our small businesses, who are already paying the highest tax burden in the industrialized world, will be told that they are just not paying enough. In this increasingly global economy, where these companies are struggling to compete with China and India, imposing an even larger tax burden will be crushing. It will severely threaten our ability to compete, and let alone lead, in the global economy.
So what will taxpayers get in return for sending Congress ever higher cuts of their paychecks? Better working, more efficient, less wasteful spending? No. The majority doesn’t even pretend they are going to control spending.

They are not on the cutting trajectory of spending we have in this budget. We are only 5 months into this Congress, and at every opportunity the new majority has chosen the path of higher spending. They increased discretionary spending $6 billion in the omnibus, another $20 billion or so of extraneous spending in the supplemental, and now they’re increasing nondefense discretionary appropriations next year by another $23 billion.

For all we’ve heard about how the Democrats had to clean up the mess the Republicans gave them, their only response to this seems to be spend more and tax more. This formula has never worked for getting control of the budget in the past, and it won’t work now. The reverse of what is going on in the rest of the world. Across Europe, governments are moving away from their welfare state, big government tax policies and toward more market-oriented policies. For instance, the prime minister of Italy offered a clear example. But here in the States, where we should be leading the tide toward free markets, Democrats are taking us in the other direction.

Finally, I think the biggest failure of this budget is not what it does, it’s what it doesn’t do. This budget does nothing to reform entitlement programs, to extend their solvency. We had a parade of witnesses from the left and from the right, Democrat witnesses, the Chairman of the Federal Reserve, the OMB Director, the CBO Director, all come to us and say, you’ve got to get a handle on entitlements. You have to reform the entitlement programs to make them more solvent, to stop this enormous unfunded liability that is hitting American taxpayers.

Even with the Democrats’ $400 billion tax increase, they had in the House-passed version, that would quickly outpace revenues, entitlements would swamp us.

So Mr. Speaker, even if we hit a temporary balanced budget, as this might achieve, it will be temporary because you can’t raise taxes enough again and again. This is a bad trajectory of entitlement spending growth. We will go back into deficits because this budget does nothing to control spending.

So why have the Democrats failed to even address this dire situation? Because as Senate Budget Chairman Senator CONRAD told 60 Minutes, “It’s always easier not to. It’s always easier to defer, to kick the can down the road, to avoid making choices.” “You know, you get into trouble in politics when you make choices.” I appreciate that sentiment, and I know that what budgeting is about. Budgeting is about making choices even when they’re tough, even when they are not politically popular because that is what we came here to do.

In closing, I believe this budget fails to make any real choices, let alone the right ones. It will impose on American families and businesses at least the second largest tax increase in American history, if the largest, and immense new government spending, and put off critical entitlement reforms for at least another 5 years. Our House Republican budget proved we can balance the budget without raising taxes and stop the博m spending. It is my genuine hope that the House will vote today to change this dangerous course and send the Democrat budget back to the drawing board.

With that, Mr. Speaker, I reserve the balance of my time.

Mr. SPRATT. Mr. Speaker, before yielding to the majority leader, let me set the record straight with respect to revenue flows.

If you look in the Congressional Budget Office projections of revenues in the budget, you will see that for the period 2008 through 2012, cumulative revenues are projected to be $15.3 trillion. If you subtract 176 for that to account for the agreement we’ve made with the Senate, which will facilitate the adoption and extension of the middle income tax cuts adopted between 2001 and 2003, then our number for total revenues, according to CBO is $14.828 trillion. The President’s budget, total revenues are projected to be $14.828 trillion; $2 billion difference. This is the biggest tax increase in history? Give me a break.

And how about the Republican’s own revenue stream. You start from the same baseline. They have to use CBO numbers too. $15.3 trillion. Deduct from that $447 billion, which they have in tax cuts during that period of time, the baseline number for them becomes $14.826 trillion. We are $14.828 trillion, the President is $14.826 trillion; $2 billion difference. This is the biggest tax increase in history? Give me a break.

And how about the President’s own revenue stream? They have to use CBO numbers too. $15.3 trillion. Deduct from that $447 billion, which they have in tax cuts during that period of time, the baseline number for them becomes $14.826 trillion. We are $14.828 trillion, the President is $14.826 trillion; $2 billion difference. This is the biggest tax increase in history? Give me a break.

As my young friend from Wisconsin has heard me say so often, I am at once amused, and at the same time deeply disappointed because I have watched an unending series of young, earnest, very bright Republican leaders stand on this floor or stand in the OMB or in the White House, led by David Stockman, and then John Kasich, then Jim Nussle, and now PAUL RYAN, all very able representatives who served in this body, who come before us and assert, without a certitude that is unflappable, what it was during the Clinton years. Twice. Of course, the Republican budget proves we can balance this House can proudly vote for a budget the Republicans proved we can balance.

Mr. Speaker, today the Members of this House can proudly vote for a budget conference report that addresses our Nation’s critical needs on national security, education, health care, the environment and many other areas, while also making a 180-degree turn away from the most reckless fiscal policies in the history of our Nation.

Young friend from Wisconsin knows well that spending over the last 6 years was twice the rate of spending in terms of percentage increase under the Clinton years. Twice. Of course, the Republicans controlled the House, the Senate and the presidency, and spending was at twice the rate of growth that it was during the Clinton years.

I urge every Member of this House, on both sides of the aisle, to vote for the conference report that addresses our Nation’s critical needs on national security, education, health care, the environment and many other areas, while also making a 180-degree turn away from the most reckless fiscal policies in the history of our Nation.

Mr. Speaker, the largest tax increase that has occurred in this country since I have been in Congress, in terms of real dollars, was the Dole-Reagan tax increase in the early 1980s.

So I come before my House today to say, I hope the American people will understand that the representation we have just heard has been made over and over and again. And the results of the policies promoted by that rhetoric have been unending and inevitable large deficits. In fact, of course, the revenues are substantially below, as the gentlefolk knows, the projections that were made.

□ 1430

Mr. Speaker, today the Members of this House can proudly vote for a budget conference report that addresses our Nation’s critical needs on national security, education, health care, the environment and many other areas, while also making a 180-degree turn away from the most reckless fiscal policies in the history of our Nation.

Young friend from Wisconsin knows well that spending over the last 6 years was twice the rate of spending in terms of percentage increase under the Clinton years. Twice. Of course, the Republicans controlled the House, the Senate and the presidency, and spending was at twice the rate of growth that it was during the Clinton years.

I urge every Member of this House, on both sides of the aisle, to vote for the conference report that addresses our Nation’s critical needs on national security, education, health care, the environment and many other areas, while also making a 180-degree turn away from the most reckless fiscal policies in the history of our Nation.

Mr. Speaker, today the Members of this House can proudly vote for a budget conference report that addresses our Nation’s critical needs on national security, education, health care, the environment and many other areas, while also making a 180-degree turn away from the most reckless fiscal policies in the history of our Nation.
Furthermore, after 6 years of fiscal irresponsibility, this budget will bring our budget back into balance in 2012. President Reagan, President Bush I and the 7 years of Bush II, never one balanced budget year in those 19 years. During the Clinton administration, 4, half of those years had balanced budgets. Now, the great falsehood, the great deceit, the great misrepresentation perpetrated by many of our friends on the other side of the aisle is that the budget somehow raises taxes. That is simply untrue.

Now, the Republicans pride themselves on not raising taxes. They simply borrow money from the Chinese, the Japanese, the Saudis, the Germans. In fact, they borrowed over $1.2 trillion over the last 6 years to fund their spending increases.

It is somewhat humorous, I think, that our Republican friends are claiming that this budget raises taxes by failing to extend cuts that the Republics themselves designed to expire in 2010. By their logic, last year, when the Republicans still controlled both Chambers of this Congress and chose not to extend the taxes, in your budget proposal, remember that, my friends on the other side of the aisle, you do not suggest extending these tax cuts. It is ridiculous.

Don’t take it from me, just listen to the Hamilton Project at the Brookings Institution, which yesterday stated, “The budget conference report would not raise taxes. If anything, the budget resolution assumes that Congress will cut taxes.”

This is true. In fact, Mr. Speaker, the budget accommodates the extension of middle income tax cuts, as the chairman has said, and provides immediate relief for middle income taxpayers affected by the Alternative Minimum Tax. We want to fix the Alternative Minimum Tax. In fact we want to fix it by giving 81 million Americans a tax cut.

In addition, this budget increases funding for Head Start, LIHEAP, accor-dates a $50 billion increase to cover millions of uninsured children, and rejects the administration’s harmful cuts to environmental programs.

Finally, Mr. Speaker, for our friends on the other side to complain that this budget provides for an increase in the debt ceiling strains credibility. The rule the Republican bill was in your budgets repeatedly.

In just 6 years, this administration and Republican Congress turned a projected budget surplus of $5.6 trillion into an over $3 trillion deficit, an $8.6 trillion turnaround to the red side of the budget. On your watch when you controlled all of the levers of this House. And you raised the debt ceiling 4 years in a row.

The new Democratic majorities in this Congress have inherited a fiscal debauch that today, through this conference report, we can begin to address and make right. This is a budget that we can be proud of, and it stands in stark contrast to the extraordinarily irresponsible policies of the last 6 years.

I urge all of my colleagues, vote for fiscal responsibility and a brighter future for our children and for our country. Vote for the budget. Mr. RYAN of Wisconsin. Mr. Speaker, will the gentleman yield?

Mr. HOYER. I will be glad to yield to my friend from Wisconsin.

Mr. RYAN of Wisconsin. Mr. Speaker, just a point of clarification. I think the gentleman said that our budget did not extend the tax cuts. It did. In fact, it extended all the 2001 and 2003 tax cuts. I just wanted to state that for the record. That is all.

Mr. HOYER. Mr. Speaker, reclaiming my time. I don’t have it in front of me, but what your budget did was you assumed that the tax cuts were going to be extended. You did not extend them in your budget legally, which you could have done under the rules. You claim you don’t have it in the rules. You didn’t in the rules in the Senate. I think that is accurate.

Mr. RYAN of Wisconsin. Well, I can go back into that, but I think we have belabored the point.

Mr. HOYER. Mr. Speaker, I thank the chairman for his work. I thank him for yielding me the time, and I urge a yes vote on this responsible, effective budget for our country.

Mr. RYAN of Wisconsin. Mr. Speaker, I yield myself 30 seconds simply to ask a rhetorical question, if the Democrats chose to extend some of the tax cuts in this budget and therefore not all of the others, how is this not a tax increase? If the Senate said that the Democrat House budget raised taxes and they didn’t want to raise them as much and they forced the conference to negotiate to keep some of the tax cuts at bay, how is this not a tax increase? If they are saying they are preserving some of the tax cuts, then by definition they are raising the other taxes.

You can’t have it both ways.

Mr. Speaker, I yield 2 minutes to a young, earnest, conscientious Republican leader, the gentleman from Florida (Mr. PUTNAM).

Mr. PUTNAM. Mr. Speaker, I thank the young ranking member for yielding.

Mr. Speaker, unlike the majority leader, protocol does not allow me unlimited time to rebut his numerous inaccuracies, but let me lay out this fact first: The Democratic budget that we will vote on this evening raises taxes. And if you don’t believe it, just wait until your tax bill comes due in a couple of years when you are asked to pay more than then you are today. And you will be asked to pay the largest tax increase in American history.

The marriage penalty will be back. The death tax, back. The bracket creep, back. We are paying 50 percent of our $100 million Fortune 1000 companies. It will crimp the economy that is robust and strong and create a record Dow as we speak.

The majority leader said national security is their highest priority. If it is your highest and first priority, why are we now in May with troops running out of funds, running out of resources, and a President begging for a supplemental for men and women who are in harm’s way? And national security is your highest priority?

If you care to honor the veterans, then in addition to paying for veterans health care, in addition to dealing with veterans retirement, why are you not similarly honoring those veterans by reforming entitlements? When those young veterans come back, that every think tank in this town is in agreement that Social Security and Medicare will be bankrupt before those young veterans are eligible to receive those promised benefits, and you do nothing about it.

Why don’t you honor those young veterans, why don’t you honor those future generations, those first year teachers, this spring’s graduates from high schools and colleges, why don’t you honor them by dealing with the cliff that our country faces in Social Security, Medicare and Medicaid consuming the Federal budget? It already makes up over half of Federal expenditures.

This budget raises taxes, skyrockets the spending and does nothing to deal with the generation gap in entitlements. I urge you to defeat this irresponsible document.

Mr. SPRATT. Mr. Speaker, I yield to the gentleman from Texas (Mr. GENE GREEN) for the purpose of making a unanimous consent request.

Mr. GENE GREEN of Texas asked and was given permission to revise and extend his remarks.

Mr. Speaker, I support the conference committee report and thank both the chairman and the Budget Committee for their good work.

Mr. Speaker, I rise today in support of the conference report because U.S. taxpayers have no confidence in the fiscal year 2008 budget resolution. This budget resolution represents a return to fiscal soundness for our country, which has operated without a budget resolution in 3 of the last 5 years. This budget will help our country emerge from a sea of red ink and put us on a path toward a budget surplus in the next 5 years, with a $41 billion surplus projected for 2012.

Key to the fiscal responsibility in this budget is the inclusion of critical budget enforcement provisions known as PAYGO. This budget extends to the Senate the PAYGO rules adopted earlier this year in the House, which ensure that any future tax cuts or mandatory spending are offset elsewhere in the budget. This budget hews to that principle and does not include any new mandatory spending that is not offset.

Mr. Speaker, I also applaud our House and Senate Budget Committee Chairs for their attention to the domestic needs of this country and the resources this budget dedicates for health care programs and research that have suffered in previous budgets. The conference
report provides a reserve fund of up to $50 billion for the reauthorization of the State Children’s Health Insurance Program. As a member of the Energy and Commerce Committee, which is working to reauthorize the SCHIP program, I want to make sure the program is available to the 6 million American children who are currently eligible but not enrolled in the program. The reserve fund in this budget will allow us to expand the program for these children while also maintaining fiscal discipline under PAYGO.

On the discretionary side, the budget resolution includes an additional $20 billion over last year’s level for health programs. In years past, worthy health care programs like trauma systems funding, Emergency Medical Services for Children, Health Centers and NIH research funding have been forced to compete for funding that was not sufficient to meet our health care needs. This budget recognizes the importance of adequately funding domestic priorities like health care and education programs that are real investments in our country’s future.

I thank our House conferences for their work on this budget resolution and congratulate them on this truly balanced budget, in terms of both the deficit and the needs of the American people.

Mr. SPRATT. I yield 2 minutes to the gentleman from California (Mr. MCKEON).

(Mr. GEORGE MILLER of California asked and was given permission to revise and extend his remarks.)

Mr. GEORGE MILLER of California. Mr. Speaker, how remarkable and refreshing this budget is. Finally a budget that ends the Republican commitment to endless seas of red ink and deficit spending. Finally a budget that ends the Republicans’ commitment to squandering the $5 trillion that they inherited from the Clinton administration.

But more remarkable about this budget is it takes us in a new direction. It takes us in a direction where once again we see ourselves as a country and a nation and forging and investing in young people in this country, investing in their education, investing in the effort to make college more affordable for families and students who have to borrow money. That is what this budget does.

With a $9 billion increase over and above the President’s budget, for the first time we are able to change the trendlines from reducing the expenditures on behalf of students with disabilities, the elementary and secondary education of America’s students, on behalf of job training. That is what this money does. This is an investment in the future of our young people. This is an investment in the elementary-secondary education system of young people in this country. This is an investment in reducing the cost of college.

That is a markedly different direction than we have been going over the last 6 years, where we just headed headlong into seas of red ink, where it overwhelmed everything else the government was about to do, where it started taking its toll on the education budgets of this country, where we denied the opportunities for people to have an affordable student loan, where we now see in excess of a quarter of a million young people deciding they won’t be able to borrow the money, they won’t be able to pay it back, and so they have to post-pone or defer a college education permanently.

This budget also gives us the opportunity to address in a comprehensive fashion the reducing of the cost of college, to re-make the student loan program, to get rid of these mindless, end- less subsidies that the previous budgets have contained for the lenders, subsidies that fueled the corruption that we have seen in the program.

This is a remarkably refreshing, exciting budget for this country, for its young people and for its future.

Mr. RYAN of Wisconsin. Mr. Speaker, I yield 1 1/2 minutes to the ranking member of the Education and Labor Committee by a Democrat from California (Mr. MCKEON).

Mr. MCKEON. Mr. Speaker, I thank the gentleman for yielding and I thank him for his work on this budget.

I rise in opposition to the second largest tax student loan program in American history. This agreement before us includes a tax hike of at least $217 billion by fiscal year 2012. Worse yet, the budget includes a troubling tax hike trigger that would automatically raise taxes even higher if surpluses do not materialize due to restrained Federal spending, a habit I don’t expect Congressional Democrats will break any time soon.

This agreement also includes a reconciliation instruction for the Education and Labor Committee. I have supported reconciliation as a means to reduce the deficit in the past, in just the last Congress in fact. But clearly deficit reduction is not a priority in this budget. The fact that our committee is the only panel with this instruction really troubles me, and I am afraid this instruction might leave the door open for the majority to abuse the process in order to give Washington bureaucrats a greater stranglehold on student loans than ever before through a greater emphasis on the government-run direct loan program.

Let me be clear: I stand ready to strengthen Federal student aid programs by promoting competition among and within the loan programs by promoting competition among and within the loan programs while providing additional funds for low income students to attend college. This is just what we did through reconciliation in the last Congress.

However, Mr. Speaker, I won’t stand idly by while the majority attempts to drive a stake through the heart of the market-based program. This would be terrible news for students and taxpayers alike, and I will do all I can to fight against it. 1445

Mr. SPRATT. Mr. Speaker, I yield 2 minutes to the gentlewoman from Connecticut (Ms. DELAURO).

Ms. DELAURO. Mr. Speaker, I am proud that we have come together and finally agree on a fiscally responsible budget. And I am proud of the work that we have done to address our most urgent priorities as a Congress and as a Nation.

This year, the previous majority failed to pass a budget and in the process left us without the framework to pass critical appropriations bills. In 1998, 2002, 2004, we also went without a budget resolution. We have to do better than that begins today. We have a responsibility in this Congress to do our jobs and to put our Nation back on track.

At last we are beginning to get our House in order with a real commitment to spend our tax dollars wisely and with fiscal responsibility, finally honoring our long-standing commitments and making a modest investment in our future. By balancing our budget and even providing for a slight $41 billion surplus by the year 2012 without raising taxes, this plan reflects our priorities and takes our Nation in a new direction.

Today we have a budget that makes an investment in children and families for the first time in 6 years. We have a budget that expands SCHIP, the hugely successful children’s health insurance program to give kids without coverage the attention and care that they need.

We have a budget that ensures new resources for our first time left Behind to make student achievement a reality, and a new commitment for Pell Grants to make college education more affordable.

We have a budget that honors our veterans with the resources our VA facilities need to handle increased patient load, and provide the care our servicemembers deserve.

We face great challenges, challenges that the Federal Government has the capacity, the resources and the moral obligation to help us meet. Let us embrace that obligation, create real opportunity today, and give people the tools they need to grow and to thrive tomorrow.

Mr. RYAN of Wisconsin. Mr. Speaker, I yield 1 1/2 minutes to the gentleman from South Carolina (Mr. BARRETT).

Mr. BARRETT of South Carolina. Mr. Speaker, I rise today in opposition to conference report S. Con. Res. 21, the Democratic congressional budget for 2008.

By not addressing the Bush tax cuts, the Democratic budget resolution conference report calls for at least a $217 billion tax hike, the second highest in American history.

This budget resolution also includes a trigger which would automatically turn the tax increase into the largest in American history.

Mr. Speaker, the government spends too much money. We have serious challenges facing this Nation and spending more money is not a solution. The conference report increases non-defense appropriations by $22 billion above
2007, and $21 billion above the President’s request.

It fails to maintain emergency funds included in last year’s budget resolution. Also, emergency spending is loosely defined in this budget resolution and does not prevent future abuses in emergency supplemental appropriations.

The conference report has 23 reserve funds which include the promise of more than $20 billion in additional spending which I can only assume will be paid by additional taxes.

The House Budget Committee listened to many testimonies from budget experts, indicating our Nation was facing a fiscal crisis when it comes to entitlement spending; yet the conference report does nothing to address this issue. We cannot simply raise taxes and hope our entitlement problems will solve themselves.

Mr. Speaker, I thought at least some of the commonsense solutions put forth in the Republican substitute would have been settled, and I urge my colleagues to vote against this budget resolution.

Mr. SPRATT. Mr. Speaker, I yield 1½ minutes to the gentleman from Pennsylvania (Ms. SCHWARTZ).

Ms. SCHWARTZ. Mr. Speaker, as a member of the Budget Committee, I first want to recognize the leadership of Chairman SPRATT. It is under his leadership that we have a budget before us that is both responsible and attentive to America’s priorities. It reaches balance in 5 years, and it does so without new mandates and families obligations while making important investments in America’s future.

First, it provides for our national defense. It targets resources to the most urgent military and security concerns, including the implementation of the §111 Commission recommendations.

Second, our budget honors our commitment to our servicemen and women. It provides funding that will enable the Administration and our veterans to provide for the increasing needs of our veterans.

Third, our budget recognizes the priorities of hardworking Americans. It provides tax relief to middle-income families by fixing the AMT, extending lower tax rates, and continuing the earned income and child tax credits. And it expands SCHIP to provide health coverage to 7 million uninsured children in this country of middle-income families.

Fourth, our budget enhances our Nation’s economic competitiveness and makes key investments to ensure that our future workforce has the education and skills needed to compete in the global economy.

Our budget is fiscally disciplined. It ends the unsustainable borrow-and-spend policies of the last 6 years, and it balances the budget in 5 years, setting us on a course to pay down our debt while meeting our Nation’s obligations. We should all be proud of this budget. It is a new direction, and it is the right direction for America.

Mr. RYAN of Wisconsin. Mr. Speaker, I yield 1 minute to the gentleman from California (Mr. HERGER), a member of the Ways and Means Committee.

Mr. HERGER. Mr. Speaker, I recently served on the Budget Committee for 8 years, and restored we have had the only four balanced budgets in recent history. I am sad to see, however, that today’s budget envisions what could amount to the largest tax increase in American history to pay for higher spending.

The budget would increase discretionary spending at roughly three times the inflationary rate while failing to achieve real savings for taxpayers. Taxes will grow by at least $217 billion as pro-growth tax relief is allowed to expire. Even the child tax credit and mortgage penalty relief may not be extended. I urge Members to reject this budget.

Mr. SPRATT. Mr. Speaker, I yield 1½ minutes to the gentleman from New York (Mr. BISHOP).

Mr. BISHOP of New York. Mr. Speaker, I rise in strong support of this conference report. We can be proud that this budget finally produces a vision for our future that reflects our hopes and dreams and the promise of economic prosperity and security in the years ahead.

I commend my distinguished chairman and his staff for their hard work, which has resulted in a balanced budget within 5 years, and restoration of middle-class priorities to the budget process. While restoring fiscal responsibility, we also raise funding for veterans, for health care, and for education.

This budget contains reconciliation instructions regarding education expenditures. I believe we have the opportunity to use these instructions to the benefit of students and their families. This budget guarantees that increasing education and families opportunities, we also raise funding for veterans, for health care, and for education.

As our chairman has said repeatedly, if you can’t budget, you can’t govern. With this budget conference report today, we demonstrate our commitment to govern.

Mr. Speaker, I urge my colleagues to vote for this conference report.

Mr. CONAWAY of Texas. Mr. Speaker, I yield 1½ minutes to the gentleman from Texas (Mr. CONAWAY), a member of the Budget Committee.

Mr. CONAWAY. Mr. Speaker, I want to speak to one issue in this budget, and that is the tax trigger. I believe this is a ruse to hide behind a tax increase.

I know my colleagues on the other side will argue it is not a tax increase, but I can assure you that American families in 2010 whose financial circumstances are similar in 2011, will pay more in taxes in 2011 than they pay in 2010. Call that what you may, but I believe it is a tax increase.

It is a ruse, Mr. Speaker, because it is built on a foundation of brittle clay. One of the pillars of the foundation is that spending will be restrained. This Democratic majority can spend their way to a point where these tax cuts won’t be triggered.

They have already shown a great penchant for spending, a wanton disregard for fiscal restraint. There is $6 billion extra in the omnibus bill, $20 billion extra on the supplemental that is set to pass, and another resolution of new spending in this bill. So they will spend their way.

The other thing it is built on the good graces of the Secretary of the Treasury and the director of OMB, both of whom have to agree that the tax cuts can in fact go forward.

I believe this is a ruse to hide behind the fact that American families will pay more taxes in 2011 and 2012 than they did in 2010 because rates will go up. I urge my colleagues to vote against this budget.

Mr. SPRATT. Mr. Speaker, I yield 2 minutes to the gentleman from Texas (Mr. EDWARDS).

Mr. EDWARDS. Mr. Speaker, last November, American voters sent a very clear message that they wanted to change the status quo in Washington. That is exactly what this budget does.

It represents a positive change that reflects the solid values of American families. To begin with, this budget puts the higher priority on national defense and homeland security because we understand that defending our Nation’s treasurers and the director of OMB, both of whom have to agree that the tax cuts can in fact go forward.

I believe this is a ruse to hide behind the fact that American families will pay more taxes in 2011 and 2012 than they did in 2010 because rates will go up. I urge my colleagues to vote against this budget.

Mr. SPRATT. Mr. Speaker, I yield 2 minutes to the gentleman from Texas (Mr. EDWARDS).

Mr. EDWARDS. Mr. Speaker, last November, American voters sent a very clear message that they wanted to change the status quo in Washington. That is exactly what this budget does.

It represents a positive change that reflects the solid values of American families. To begin with, this budget puts the higher priority on national defense and homeland security because we understand that defending our Nation’s treasurers and the director of OMB, both of whom have to agree that the tax cuts can in fact go forward.

I believe this is a ruse to hide behind the fact that American families will pay more taxes in 2011 and 2012 than they did in 2010 because rates will go up. I urge my colleagues to vote against this budget.

Mr. SPRATT. Mr. Speaker, I yield 2 minutes to the gentleman from Texas (Mr. EDWARDS).

Mr. EDWARDS. Mr. Speaker, last November, American voters sent a very clear message that they wanted to change the status quo in Washington. That is exactly what this budget does.

It represents a positive change that reflects the solid values of American families. To begin with, this budget puts the higher priority on national defense and homeland security because we understand that defending our Nation’s treasurers and the director of OMB, both of whom have to agree that the tax cuts can in fact go forward.

I believe this is a ruse to hide behind the fact that American families will pay more taxes in 2011 and 2012 than they did in 2010 because rates will go up. I urge my colleagues to vote against this budget.
same folks who in 3 of the last 5 years couldn’t even pass a budget resolution through the House and Senate.

We are putting America on a new course, the right course for our country and for our veterans.

Mr. RYAN of Wisconsin. Mr. Speaker, I yield 1½ minutes to the gentleman from California (Mr. CAMPBELL), a member of the Budget Committee.

Mr. CAMPBELL of California. Mr. Speaker, I have been listening to this debate and listening to the arguments on this side of the aisle. If I am waiting for David Copperfield to show up as a member of their Budget Committee because what they are doing is magic. They are over here bragging about all of the additional money they are spending. And bragging, which they are, and bragging that they are balancing the budget, which they say they are, but then saying they are not raising taxes. Which they are.

This budget contains over $200 billion in tax increases. That is about $1,000 for every taxpayer in America. And oddly enough, isn’t it strange that it also contains about $200 billion in additional spending over the President’s proposed budget.

So they want to raise Americans’ taxes by $1,000 a taxpayer so they can spend it on new spending. Make no mistake about it, a vote for this budget is a vote for at least the second largest tax increase in American history, if not the largest.

Mr. SPRATT. Mr. Speaker, I yield 2 minutes to the gentleman from California (Ms. WOOLSEY).

Ms. WOOLSEY. Mr. Speaker, the defense spending in this budget is much, much higher than I would like. But I rise today in support of this conference report and the very good work of Chairman SPRATT, of his committee, and his staff.

This budget also takes on waste at the Pentagon, insisting that DOD presses ahead in implementing over 1,300 unaddressed suggestions from the GAO to reduce waste, fraud and abuse.

Mr. Speaker, whenever any Member of this Congress has to stand on the floor and say that they did, and years past, you know it’s pretty sure that they made some big mistakes. This budget is a big step in correcting the fiscal mess that the Democratic majority inherited, and I urge my colleagues to support this report.

Mr. RYAN of Wisconsin. Mr. Speaker, I yield 1½ minutes to the gentleman from Texas (Mr. HENSARLING), a member of the Budget Committee.

Mr. HENSARLING. Mr. Speaker, I thank the gentleman for yielding, and when my friends on the other side of the aisle do something that I think is laudatory, I want to laud them for it.

They have taken a budget that contained the single largest tax increase in American history and turned it into a budget that has the second largest tax increase in American history, but before I get too effusive with my praise, they have something in there called a trigger which tells the American people that if you can prevent us from spending all of your money, maybe, maybe you can get a little of it back. So I suspect, Mr. Speaker, we are again looking at the single largest tax increase in American history.

Now, speaker after speaker on the other side get up and tell us, oh, we’re balancing the budget, we’re increasing spending that they call investments, but no, no, no, we’re not raising taxes. Mr. Speaker, I think Colorado is double my age. She can speak. The numbers don’t add up. I have got a 5-year-old daughter who can perform better math than that, and she’s not very good at it. You can’t balance the budget, increase spending and then claim you’re not raising taxes. It’s shameful.

Mr. Speaker, this is an easy conclusion that the Americans should draw. If they believe that the growth of the Federal budget is more important than the growth of their family budget, they should support this Democrat budget. And if they can sleep well at night knowing that this budget is going to double the taxes of their children and grandchildren, they should embrace that budget. But if they want freedom and opportunity for the next generation, reject this budget.

Mr. SPRATT. Mr. Speaker, I yield ¼ minutes to the gentleman from Illinois (Mr. EMANUEL), the distinguished chairman of our caucus.

Mr. EMANUEL. Mr. Speaker, I’d like to thank my colleague from South Carolina for his leadership and, most importantly, his leadership because the Democrats promised in November that they would cut the deficit in half in 6 months. They have accomplished in 6 months what my colleagues have failed to do in 6 years and that is produce a budget that produces a surplus.

Let me say what a surplus is since you’ve had such a recognition of not being able to produce one. Surpluses are the fact when the government puts its fiscal house in order and matches up its needs with the American people and produces a surplus, because your fiscal legacy is $4 trillion of new debt.

When it comes to economic policy, the one thing that can be said about the Republicans’ fiscal mess is that we will forever be in your debt. That is the single largest tax increase in 6-years, the largest increase in the Nation’s debt in the shortest period of time is your legacy, and I don’t think you’ve quite gotten the recognition for what you’ve done to America, left it nothing but red ink.

This budget is not only in balance, but it’s in balance with our values, our values that ensures that 8 million children who do not have health care but are working parents work full-time, they will get health care; in balance with our values to make sure that we’re not subsidizing the financial industry by making sure that middle class parents have the financial resources to send their kids to college; making sure that when it comes to our veterans that in fact we are rewarding our veterans who have fought for this country and say the proper recognition for their service to America, that they get taken care of. And every step of the way, this budget is not only in balance fiscally but is in balance with our values.

The entire legacy in 6 years of the Republican stewardship was one of $400 trillion of debt left on the Americans to clean up that mess, and we have produced in 6 months a budget that’s balanced, and at the end of the process also creates a surplus.

There are different stark choices, President Kennedy once said. To govern is to choose. We’ve made the choices to make sure that middle class families get a tax cut, kids get health care, veterans get the respect and the resources that they need to move on with their life, and our families who know that an education and a college education in an era like this where you earn what you learn, that a middle class family does not need a second mortgage or a third job to send their kids to college.

I commend my colleagues for this new direction budget, a budget that is in balance and is also in balance with our values.

Mr. RYAN of Wisconsin. Mr. Speaker, I yield myself 10 seconds simply to say that’s correct, the majority did make choices. They chose to raise taxes, they chose to raise spending, and they chose to violate their own PAYGO rules.

With that, Mr. Speaker, I yield ½ minutes to the gentleman from Florida (Mr. MARIO DIAZ-BALART), a member of the Budget Committee.

Mr. MARIO DIAZ-BALART of Florida. Mr. Speaker, to borrow an old cliché, the more things change, the more they remain the same.

The speaker who spoke a little while ago from the Democrats said that the Democrats in just 6 months have achieved what the Republicans did not do in 6 years. That’s true.

In 6 months they’ve achieved increasing the taxes on the American people, the second largest tax increase in the history of this country. Again, $217 billion in additional taxes. Mr. Speaker, that’s going to hit everybody, middle income families, low income earners, families with children, small businesses. Every American who pays Federal taxes is going to get a huge tax increase.

Mr. Speaker, the American people do not deserve a $217 billion tax increase
to fund more bureaucracy and more bu-
reaucrats in Washington, D.C. If you
think that there are not enough bu-
reaucracy, enough bureaucrats in D.C.,
vote for this budget. If you think the
American people deserve a tax cut, re-
ject this high spending, highly irres-
ponsible budget.
Mr. SPRATT. Mr. Speaker, I yield 2
minutes to the gentleman from New
Jersey (Mr. ANDREWS).
(Mr. ANDREWS asked and was given
permission to revise and extend his re-
marks.)
Mr. ANDREWS. Mr. Speaker, I thank
my friend from South Carolina, the
chairman, for producing an excellent
budget for which every Member should
vote.
Responsible people do not pay their
bills by borrowing from their children.
Responsible people analyze what they
can afford, spend only that and save
what they can.
For too long, this Congress has lab-
ored under a culture of irresponsi-
bility: focus on the next election, spend
what you want to, hand out tax cuts to
your supporters, and let some-
one else worry about it down the line.
This budget ends that culture of irre-
ponsibility. It stands for one clear
principle over and over again. We will
not run this government on borrowed
money, period. We wish to double the
national debt limit; is that correct?
Mr. RYAN of Wisconsin. Am I further
correct, that by operation of rule
XXVII, upon adoption of this con-
ference report by both the House and
the Senate, this joint resolution ad-
justing the debt limit will be consid-
ered as passed by the House and trans-
mitted to the Senate?
The SPEAKER pro tempore. The gen-
tleman is correct.
Mr. RYAN of Wisconsin. Further in-
quiry, Mr. Speaker.
The SPEAKER pro tempore. The gen-
tleman may state his inquiry.
Mr. RYAN of Wisconsin. Will there be
a separate vote in the House on passing
this joint resolution adjusting upwards
the debt limit?
The SPEAKER pro tempore. Not by
operation of rule XXVII.
Mr. RYAN of Wisconsin. Further in-
quiry, Mr. Speaker.
The SPEAKER pro tempore. The gen-
tleman will state his inquiry.
Mr. RYAN of Wisconsin. Will there be
a separate vote in the House on passing
this joint resolution adjusting upwards
the debt limit?
The SPEAKER pro tempore. That is
correct.
Mr. RYAN of Wisconsin. Mr. Speaker,
I yield myself such time as I may con-
sume.
Mr. Speaker, what we have just
learned is that if a Member votes for
this conference report, and it is adopt-
ed by the Senate, then they will be re-
corded as having voted for the joint
resolution raising the public debt limit
to $9.815 trillion, an increase in the
public debt of borrowing of $850 billion.
If a Member votes against this con-
ference report, and it is adopted by the
Senate, then they will not be recorded
as having voted to increase the debt
limit or borrowing by $850 billion.
So it’s very clear that the passage of
this budget increases borrowing by $850
billion and that is, in fact, the effect of
this.
Mr. Speaker, I reserve the balance of
my time.
Mr. SPRATT. Mr. Speaker, could I
inquire of the Chair how much time is
left and who has the right to close?
Mr. Speaker, I yield my 3½ minutes.
We can’t have this debate without
having a few charts on the floor, and it
always bears reminding what’s hap-
pened over the last 6 years because it is
truly a fiscal phenomenon.
When President Bush came to office
in 2001, he had an advantage that few
Presidents in recent history have en-
joyed, a budget in surplus. I’m talking
big-time surplus, $5.6 trillion by his es-
timate, over the next 10 years, $5.6 tril-
ion. That was the year 2001. In the pre-
vious year, a Clinton year, we ran a
surplus of $236 billion.
By the year 2004, under the steward-
sip of this administration and this
Congress, because Republicans con-
trolled the House, controlled the Sen-
te and controlled the White House,
under their stewardship, the $5.6 tril-
ion surplus was converted to a $2.8
trillion deficit, and the national debt
rose by $3 trillion in the wrong direction,
and that $236 billion surplus in the year
2004 became a deficit of $142 billion.
Incredible, but that is what we have
had for the last 6 years. That’s the
record over the last 6 years which can-
not be denied. Here it is right here.
As a consequence of the deficits that
have been run, this simple little chart
that I bring down here again and again,
because it bears reminding everybody
what’s happened over the last 6 years,
shows that when Bush came into office
we had a debt of $5.7 trillion. The debt
today is over $10 trillion. $3 trillion.
That means there’s been an increase in
the national debt of $3 trillion and if
we continue upon the fiscal path that
this administration has taken, by the
time they leave office the debt of the
United States will be $1515

Now, there has been a lot of talk
about tax increases. Let me show you
this little chart here, because it shows
graphically, and emphatically, some-
thing called debt service. The increase
in the interest on the national debt
that has to be paid, talk about entitle-
ment reform, this is the one true enti-
tlement. It’s obligatory, it has to be
paid. Interest on the national debt has
increased from about $1515.2 billion a
couple of years ago to $256 billion, and it’s
on its way north to $300 billion in a
short period of time. This is a debt tax.
Yes, you may have cut taxes in 2001
and 2003, but, because you have bor-
rowed to make up for the loss of reve-
ues and added to the debt of the United
States, you, we, our children and
their children, will be paying this
debt for years to come, and compare
this huge mountain of debt service, in-
terest on the national debt, to other
priorities.
Education, the light blue block; vet-

ers health care, the green block; Hom-
eland Security, the blue block, all
of them are dwarfed by interest on the
debt service. The increase in the debt
that we have left, out debt, left our
children owing, left generations to
come owing.
This is the debt tax that will have to
be paid, because it is simply not to be
cut. That’s what we are struggling with
today because of the fiscal manage-
ment of this government over the last
6 years.
Mr. Speaker, I reserve the balance of my time.

Mr. RYAN of Wisconsin. Mr. Speaker, I yield 30 seconds to the gentlewoman from North Carolina (Ms. FOXX).

Ms. FOXX. I want to thank Mr. RYAN for yielding.

There is a group of Democrats here who came to be fiscal conservatives. They call themselves the Blue Dogs. They have a budget reform plan, a good budget reform plan. Point 7 of the Blue Dogs' point budget reform plan calls for not hiding votes on the debt limit increase.

Yet a vote for this conference report is a vote to automatically raise, without a separate vote, the national debt by $850 billion. Where are the Blue Dogs today? They are not here on the floor talking for this. Where will they be when we have this vote?

Mr. SPRATT. Mr. Speaker, I reserve the balance of my time.

Mr. RYAN of Wisconsin. Mr. Speaker, I yield myself 2 minutes to our distinguished minority whip, Mr. BLUNT.

Mr. BLUNT. I thank the gentleman for yielding.

Mr. Speaker, we will be talking about this budget for a long time. Everybody has their own view of this, but you can’t have your own view of the facts. One of my good friends got up a minute ago and talked about the size of the deficit.

The budget is going to add $850 billion this year to the deficit. I think that’s almost $1 trillion, though I am sure people who are listening to this here in the Chamber and anywhere else are confused now by all these numbers they are hearing. This budget, without a single other vote, adds to the national debt.

It raises the debt ceiling. In spite of the many Members in this Chamber who ran for office saying they would never try to hide this vote on the debt, that is exactly what this vote does today.

Entitlement reform, one of my other friends said, we hadn’t passed a budget. Well, my friend, you can’t have entitlement reform unless you pass a budget. You can’t have reconciliation.

We cut the growth of the entitlement spending $40 billion in the last Congress. By definition, to do that, we had to have a budget. So somebody who suggested we hadn’t had a budget also was the person who had some explanation as to why this budget doesn’t do entitlement reform.

In fact, then we even make entitlement reform somehow the interest on the national debt. The programs that are growing out of control are the programs that this budget refuses to address.

Then the very interesting topic of tax cuts, tax policies in 2001 and 2003 that have produced record levels of income to the Federal Government: 2005, 14.5 percent more income than 2004; 2006, 11.8 percent, more income than 2005. These tax cuts grew the economy. That grew Federal income. If you raise the wrong taxes, you will reduce Federal income.

This whole budget debate, our friends in the majority have said, there is no tax increase in this budget. But suddenly, in the budget report, we are told that the Senate increased the levels of tax increases, so we are only raising tax revenue by $217 billion for sure instead of $400 billion.

This is a huge tax increase. It doesn’t deal with entitling, as it raises, without a vote, the national debt ceiling. I urge a “no” vote on this budget. Let’s get a blueprint that really works for the future.

Mr. SPRATT. Mr. Speaker, I reserve the balance of my time.

Mr. RYAN of Wisconsin. Mr. Speaker, may I inquire of the chairman, the gentleman from South Carolina, is he the last speaker on their side? You are re-opening the right to close?

Mr. SPRATT. I reserve the balance of my time.

Mr. RYAN of Wisconsin. Mr. Speaker, may I inquire of the chairman, the gentleman from South Carolina, has he the last speaker on their side? You are re-opening the right to close?

Mr. SPRATT. I reserve the balance of my time.

Mr. RYAN of Wisconsin. Mr. Speaker, may I inquire of the chairman, the gentleman from South Carolina, is he the last speaker on their side? You are re-opening the right to close?

Mr. SPRATT. I reserve the balance of my time.

Mr. RYAN of Wisconsin. Mr. Speaker, may I inquire of the chairman, the gentleman from South Carolina, is he the last speaker on their side? You are re-opening the right to close?

Mr. SPRATT. I reserve the balance of my time.

Mr. RYAN of Wisconsin. Mr. Speaker, may I inquire of the chairman, the gentleman from South Carolina, is he the last speaker on their side? You are re-opening the right to close?

Mr. SPRATT. I reserve the balance of my time.

Mr. RYAN of Wisconsin. Mr. Speaker, may I inquire of the chairman, the gentleman from South Carolina, is he the last speaker on their side? You are re-opening the right to close?

Mr. SPRATT. I reserve the balance of my time.
We believe the money that people make is their money, not the government's money. If you are making money, working hard and paying taxes, that's your money, not ours. We have a different set of beliefs. They believe the opposite. They believe that more and more money ought to come out of workers' paychecks. They believe that they can spend your money better than you can.

That is not what we believe. The reason that we don't believe it is because if you have more money in your paycheck, you have more for yourself and more freedom for your family. We know, by golly, the American economy grows. We succeed. We improve in the global economy.

We created 7 million new jobs since this last run of tax cuts. We increased revenues to the Federal Government from these lower tax rates, 3 years in a row, double digit revenue growth. Let's not turn that recipe upside down. Let's not do a bad thing.

Defeat this budget.

Mr. SPRAT. Mr. Speaker, I reserve the balance of my time.

Mr. RYAN of Wisconsin. Mr. Speaker. I yield the remainder of our time to the distinguished minority leader, Mr. BOEHNER.

Mr. BOEHRNER. Mr. Speaker and my colleagues, here we go again, a higher spending, higher taxes, and people don't think there is a difference between the two major political parties. One only has to look at what's happened so far this year. We have the continuing resolution that was passed in February, there was $6 billion worth of excess spending in it.

Now we have got an emergency supplemental to fund our troops in Afghanistan and Iraq that has another $22 billion worth of excess spending in it. If you look at the discretionary spending levels in this budget for this next fiscal year, we have another $22 billion worth of added spending. That's outlined.

Now if that's not bad enough, we are only 4½ months into this calendar year, and my friends across the aisle have authorized an additional $62.5 billion worth of excess spending in it. If we have another supplemental to fund our troops in Afghanistan and Iraq, we have another $22 billion worth of excess spending in it. If we put up on a path to higher deficits.

Now we have got an emergency supplemental to fund our troops in Afghanistan and Iraq that has another $22 billion worth of excess spending in it. If you look at the discretionary spending levels in this budget for this next fiscal year, we have another $22 billion worth of added spending. That's outlined.

Now if that's not bad enough, we are only 4½ months into this calendar year, and my friends across the aisle have authorized an additional $62.5 billion worth of additional spending. How much spending and how many taxes do we want to impose on the American people?

We all know that the tax cuts of 2001 and the tax cuts of 2003 have led us to one of the most robust economies that we have seen in our history. Why? Because we lowered tax rates, we gave people reasons to invest in our economy. Jobs were created, 5 million new jobs were created, more people were earning money, raising their families, paying their bills, and, guess what else they are doing? They are also paying more in taxes.

That is why revenues to the Federal Government over the last 3 years have increased at over 12 percent per year. They are likely to do the same again this year if we don't impose upon this economy the largest tax increase in American history. It is coming. There is $200 billion worth of tax increases needed to fill this hole. There is this reserve fund, all these promises: If we can raise taxes somehow, we will give you this extra spending. And so we are going to impose the largest tax increase in our Nation's history once again.

I was listening to this debate earlier in my office and I began to ask myself, what is the essence of this? Let me go back to the 1970s. If I grew up in a household with 11 brothers and sisters; my dad owned a bar, and we were Democrats, all of us. And I remember starting a new business in 1975; I remember paying taxes. I remember not owing many taxes because I was starting a new business. But in 1978, as my small business was beginning to grow, the top tax rate in our country was 70 percent. That means 70 cents out of every dollar over that minimum, which was about $75,000, 70 cents of every dollar I had to give to the Federal Government. That is when I began to realize that maybe I wasn't a Democrat any longer.

Here I was trying to grow a small business; I was a subchapter S, so everything that my business made, I had to pay taxes on personally. That meant I could only leave 30 cents of every dollar in my business to help make it grow. And even under those tax rates that were suffocating, I was able to succeed and I did.

But let's think about the last 25 years. When Ronald Reagan got elected in 1980, in 1981 in a bipartisan way we started a process of lowering tax rates. Over the last 25 years, by and large we have lowered tax rates dozens of times, only a couple of bumps, a couple increases along the way. The result of all of that over the last 25 years has been a growing economy. Better jobs in America, more jobs in America, and more revenues to the Federal Government. It is a prescription that has worked.

Look again at the 2003 and the 2001 tax cuts. We reduced tax rates, and the result was more investment, more jobs, and more revenue to the Federal Government.

Now, at some point there is a point of diminishing returns, but I will suggest to all of you that we are nowhere close to it yet.

Ladies and gentlemen, I became a Republican and I came to Congress because I thought that we paid too much in taxes and that government was too big. The heart and core of who I am and why I am here is to fight for a smaller, less costly, more accountable government here in Washington, D.C. This budget represents every reason that I decided to become a Republican, and every reason I decided to come to Washington and to do something about it.

The big difference is simple right here. My friends across the aisle believe that government knows best what to do with the American people's money. More of my colleagues on my side believe that the money that the American people earn is theirs, and that they can make better decisions on behalf of themselves and their family and their future if we allow them to keep more of the hard-earned money that they already have.

I can't just sit back and be quiet about higher taxes and higher spending. This is the largest tax increase in American history. This will in fact disinvest money from our economy, it will put people out of work, and put us on a path to higher deficits.

And if the largest tax increase in American history isn't the saddest part of this bill, I will tell you what it is: No entitlement reform.

There is an economic tsunami coming at us; it is Social Security, it is Medicare, and it is Medicaid. And while Republicans over the last years have made several attempts and made some changes, and I would argue not nearly enough changes, we have, there is no entitlement reform in this bill. That means that the amount of debt that will build up over the next 5 years, as outlined in this budget, will far surpass the debt that accumulated over the last 25 years.

You all know what is happening. There is not a Member in this Chamber that doesn't understand that if we don't deal with entitlement our kids and our grandkids can never afford the benefits that we have promised ourselves. We can look the other way, we can act like it doesn't exist, but we have made promises to ourselves as baby boomers that our kids and grandkids can't afford. And yet, we see the tsunami coming at us, we can measure it; we can measure the speed and the size of it, and yet we do nothing about it.

My colleagues, this is not the direction that I believe we should go in. I ask all my colleagues to stand up and do the right thing and to say "no" to this budget resolution.

Mr. SPRAT. Mr. Speaker, I yield myself the balance of my time.

Mr. Speaker, this is a good budget. I would be the first to say it is not a perfect budget, but I would be the first to argue that it is worthy of our support.

Indeed, I think it requires our support if we don't want to see the budget process fall abjectly once again, as it did last year under control when no concurrent budget resolution was ever enacted, passed, and only two of 11 appropriation bills were passed.

The bottom line, this budget moves us to balance over the next 5 years. Along the way, it posts smaller deficits than the President proposes, it adheres to the pay-as-you-go principle, which is the rule of this House, contains no new mandatory spending that is not paid for, and it funds five program integrity initiatives to root out wasteful spending and fraud and tax evasion.

Within this framework, it does more for veterans health care, far more, more for children's health care, far
more, and more for education, lots more.

Here in a nutshell are the basics of the budget: This budget runs to surplus of $41 billion in the year 2012. Contrast that with the President’s budget which is always in deficit. This budget not only pays as-you-go principles, it enhances them by establishing a new Senate PAYGO rule and calling for reinstatement of the statutory PAYGO rule as well. This budget does all of the above, I will say this emphatically, all of the above without raising taxes.

The tax cuts that were enacted in 2001 and 2003 remain in full force and effect, unaffected in any way by this budget resolution. As enacted and originally written, most of these tax cuts expire on December 31, 2010, and that has nothing to do with our budget resolution.

But in our budget resolution, we identified all of the middle income tax cuts, which we supported at the time passed, and we made it the policy of our resolution to extend these tax cuts when they expire.

In this concurrent resolution, we go even further. We install a trigger that will extend all of these tax cuts so long as, number one, the House waives PAYGO; and, number two, the tax cuts extended do not exceed 80 percent of the surplus projected by OMB by the year 2012.

The budget resolution in other respects sets defense spending levels that the President requested. Why is spending so high? It contains $145 billion in supplemental expenditures.

And let me say one thing about the argument one of the leaders of the other party made on the House floor just a few minutes ago about the amount of debt that is being added to the national debt. What we are talking about is taking a big battlehip and turning it around slowly. We have inherited the basics of this budget. Much of the spending that we are carrying forward was dictated over the last 6 years. The same for the revenue flow of the budget we are undertaking. It is going to take time to turn this big battleship around. But as we do, the best we can do is, number one, have a concurrent budget resolution with the binding effect of budget law for the first time in a long time; and, secondly, this concurrent resolution which will put us back on the path to a balanced budget.

For those for whom a balanced budget is something of a moral imperative because of the debt we are leaving our children, the right vote today, the only vote to count the vote for this budget resolution, and I commend it to every Member of this House, Democrat and Republican, and urge their support.

Mr. CONVERSE. Mr. Speaker, today is a historic day. After years of rising deficits and draconian Republican budgets, the vote on the Budget Conference Report finally puts us on the right course. The Democratic budget will take America in a new direction by funding national priorities such as health care services, educational programs, and veterans services while providing middle class tax assistance. The Democratic budget rejects the Administration’s attempts to cut funding to many social programs that support American children and families such as State Children’s Health Insurance Program, Social Security Disability Insurance, Medicare, and Medicaid. This forward looking budget will help all Americans progress towards social and economic security.

The Democratic budget will also provide tax relief for middle-income workers and will extend and modify the child tax credit, marriage penalty relief, and more deductions for state and local sales taxes. After our troops have defended our great country, we need to give our servicemen and veterans the best possible health care. The budget provides sufficient funds to treat traumatic injuries and improve health care facilities for veterans, as well as to treat the more than twenty-six thousand service members who have been wounded in Iraq and Afghanistan.

Funding measures to veterans health care is a prime example of our budget providing a far more realistic spending plan for the people; millions who are hard working tax payers that deserve some well justed and reasonable expense. This legislation is clearly the people’s budget.

Mr. HOLT. Mr. Speaker, a budget is a moral document that demonstrates our values and priorities. This budget Conference Report, brought to us by Chairman JOHN SPRATT represents values I can be proud of. This budget makes real investments in education, healthcare, housing and research and development while bringing the budget back to surplus by 2012.

At a time when more than ten percent of students drop out of high school before graduating and only four out of ten children eligible for Head Start are able to participate, this budget reverses the Administration’s policy of under-investing in education for our children.

The budget rejects the President’s proposal to cut funding for the Department of Education by $1.5 billion below the 2007 enacted level and to eliminate 44 entire programs. It instead provides for substantial new investments in vital programs such as Head Start, special education (IDEA), Title I and other programs under the No Child Left Behind Act. This bill also funds the Peace Corps so that high school students will know that if they work hard, they can go to college.

The budget rejects the President’s proposal to cut funding for the Community Development Block Grant program by $1.1 billion below last year’s level, and instead provides for the first CDBG increase since 2005. The cut advocated by the President would endanger job creation, economic development, and affordable housing efforts, cutting CDBGs for nearly 1,200 state and local governments.

The budget rejects the President’s proposal to cut Child Care Development Block Grants and Social Services Block Grants by $520 million below the 2007 level. The President’s budget would lead to a decline in valuable assistance for child care that allows many working parents to earn a living. The Conference Report would allow for the first increase in this funding since 2002.

Further, knowing that we now have more unemployed Americans than at any time in history, this budget blocks the President’s proposal to cut Medicare and Medicaid. These cuts would have made healthcare less affordable and accessible for millions of Americans. This budget ensures that up to $50 billion over the next five years will be devoted to the State Children’s Health Insurance Program (SCHIP) so that millions of uninsured children can be covered. New Jersey is a national leader in covering children through the SCHIP program and this additional funding is desperately needed to ensure our state’s good work, and that of other states, can continue.

This budget reverses the President’s dangerous cuts to our nation’s first responders. What sense would it make to cut the Local Law Enforcement Terrorism Prevention program, Firefighter assistance grants, Byrne Justice Assistance Grants, or the Community Oriented Policing Services (COPS) program? Our budget stands up for first responders and ensures that each of the programs receives appropriate levels of funding.

Mr. Speaker, I commend Mr. SPRATT and the Budget Committee for demonstrating that we can provide for our nation’s defense in a responsible way—both fiscally and from a policy standpoint. This budget will provide $507 billion in Department of Defense budget authority, an $18 billion increase over the President’s request. This budget also emphasizes the right priorities for meeting our security needs.

For example, this resolution opposes TRICARE fee increases and calls for a substantial increase in the veterans’ health care system. The budget resolution notes the upcoming recommendations of the President’s Commission on Care for America’s Returning Wounded Warriors and other government investigations in connection with the Walter Reed scandal, and allows funds for action on the President’s recommendations are received. To help protect our nation from a terrorist-sponsored nuclear attack, non-proliferation programs such as the Cooperative Threat Reduction program are given greater priority and higher funding.

This budget also helps us keep our promises to our nation’s veterans. I’m pleased the committee has recommended increasing discretionary funding for the Department of Veterans Affairs from $36.5 billion to $43.1 billion—a $6.6 billion (18.1%) increase over FY07 and a $3.5 billion increase (9.8%) over the Administration request for FY08. This budget provides a far more realistic spending plan than the President’s proposal. Our proposed increase in this area will help meet critical needs, including ensuring that medical inflation does not erode VA’s ability to deliver quality health care to our veterans.

In order to maintain American competitiveness, we must make substantial investments in scientific research and education. The budget provides funding for initiatives to educate new scientists, engineers, and mathematicians in the next four years, and places more highly-qualified teachers in math and science K-12 classrooms. It makes critical investments in basic research, putting us on the
path to doubling funding for the National Science Foundation, and bolstering investments in research and development throughout the budget.

America’s dependence on oil endangers our environment, our national security, and our economy. Investment in research and development is crucial to creating cutting-edge technologies that allow us to develop clean, sustainable energy alternatives and capitalize on America’s vast renewable natural resources. The budget provides increased funding for basic and applied energy research.

For the first time in 6 years, the Budget Resolution reflects a real commitment to protecting our most valuable natural resources by providing needed funding for our National Parks, the Land and Water Conservation Fund, and the national wildlife refuge system. H. Con. Res. 99 provides a total of $31.4 billion more than the President’s request. I have been an advocate for the Land and Water Conservation Fund since I came to Congress eight years ago and I am pleased that we have finally reached a place where the budget includes adequate funding for both the state-side grant program and the federal program. LWCF and the Forest Legacy program have done tremendous work in states across the country, including New Jersey, to protect open space, parks, and conservation lands. In the face of mounting evidence on the perilous state of our environment, it continues to amaze me why President Bush continues to turn a blind eye to our growing needs in this area. Finally, we have a budget that realizes the importance of our investment in preserving our natural resources and promotes conservation.

This budget achieves all of these objectives and investments without an increase in taxes. The budget would accommodate immediate relief for the tens of millions of middle income households who would otherwise be subject to the Alternative Minimum Tax (AMT), while supporting the efforts of the Committee on Ways and Means to achieve permanent, revenue-neutral AMT reform. Unless the AMT is reformed, 1.5 million additional families will have to pay higher taxes in 2007. The budget would also accommodate extension of other middle-income tax relief provisions, consistent with the Pay-As-You-Go principle that include: the child tax credit, marriage penalty relief, the 10 percent bracket, and the deduction for state and local sales taxes.

The past 6 years of fiscal irresponsibility have caused America’s national debt to increase by 50 percent, an amount of nearly $9 trillion, or $29,000 for every American. Our ability to invest in the Nation’s shared priorities is constrained by the cost of the debt run up over the last 6 years, when the administration and its partners in previous Congresses turned the largest surplus in American history into a record debt. About 75 percent of America’s new debt has been borrowed from foreign creditors such as China, making our fiscal integrity a matter of national security. Over the last 6 years, President Bush has borrowed more money from foreign nations than the previous 42 U.S. Presidents combined.

Mr. Speaker, this budget reflects values that we can all be proud of. It meets the basic needs of Americans, invests in priorities important to our future while putting us on the path to fiscal responsibility. I ask my colleagues to vote for the Budget Conference Report.

Mr. UDALL of Colorado. Mr. Speaker, I support this conference report because it will begin the process of changing our budgetary course. While it is not identical to the version that the House enacted this year, I believe that this resolution it is clearly preferable to budgets adopted by the House in previous years.

For the 6 years before the convening of this 110th Congress, the administration and the Republican leadership insisted on speeding down the path of fiscal and economic policies. Ignoring all warning lights, they plowed ahead, taking us from projections of surpluses to the reality budgets deep in deficit and heaping higher the mountain of debt that our children will have to repay.

Many of us said it was urgent to stop persisting in that error and voted for alternatives, including those proposed by the Blue Dog Caucus.

But year after year our Republican colleagues insisted on taking their marching orders from the White House, moving in lockstep with the administration’s insistence that its economic and fiscal policies must continue without change.

I admired their discipline, but I could not support their insistence on driving us deeper into the swamp of fiscal irresponsibility that has left a $30,000 debt for a typical middle-income family of four in Colorado.

But that was then—and now, in this new Congress under new management, by passing this conference report we can begin to undo the damage. The conference report is better in its fiscal responsibility and in its priorities.

It follows the tough “pay as you go” budget rules to begin to reverse the budget deficits and to put us onto the path to a balanced budget. And under this plan, by 2012, domestic discretionary funding would fall to the lowest level, as a share of the economy, in at least a half century while spending as a percentage of GDP will be lower in 2012 than it has been in any budget adopted under President Bush. It would be this year and lower than it has been in any year since 2001.

Despite assertion by its critics, the conference report does not include any tax increases. To the contrary, it supports tax relief that would benefit the middle class—including extension of the child tax credit, 10 percent bracket, and marriage penalty relief—and provides for estate tax reform.

And it provides for immediate Alternative Minimum Tax relief, preventing more than 20 million class taxpayers from being hit by the tax. This is important because while in 2004 only 32,000 Colorado families were subject to the AMT, if nothing is done, this year that number will rise to 234,000 families in Colorado and hundreds of thousands more in other States.

At the same time, it takes steps to crack down on wasteful or fraudulent spending in Social Security, Medicare, and Unemployment Insurance programs and it supports actions to collect unpaid taxes as well as providing additional resources to reduce claims backlog in the Veterans Administration, Social Security Administration, and other agencies.

Further, it directs House committees to identify wasteful and lower priority spending that can be cut. As a member of the Armed Services Committee, I am particularly glad to note that the conference report is also realistic and responsible about the need to maintain our national defense and honor our promises to our troops and veterans.

In addition to meeting the needs of the active-duty force, it allows for increasing funding for veterans’ health care and services by $6.7 billion above the 2007 enacted level, and $3.6 billion above the President’s budget.

This is a priority for this subcommittee and will help ensure that the 427,957 veterans in Colorado receive care worthy of their sacrifice. It is also critical for the 17,419 Coloradans, who have served their country in Afghanistan and Iraq since September 2001, many of whom will need VA health care services.

It also provides more funding for urgent homeland security needs and to implement the 9/11 Commission recommendations. In doing so, it rejects cuts to vital first responder and terrorism prevention programs that would have cut the President’s budget for fiscal 2008.

Like the House-passed version, it recognizes the importance of research, development, and education in keeping our economy strong and our country secure. As a member of the Science and Technology Committee and chairman of its Subcommittee on Space and Aeronautics, I am particularly supportive of it for that reason—and as one of the Chairs of the Renewable Energy and Energy Efficiency Caucus, I welcome its support for research and development of renewable and alternative energy technologies.

As for education, the conference report allows for substantially more funding for helping Colorado’s public elementary, middle and high schools educate the 768,600 children now enrolled, with more resources to implement the No Child Left Behind Act, special education and Head Start. By contrast, if we followed the President’s budget, 31,296 Colorado children would not receive promised help in reading and math and the Head Start program—which serves 9,820 Colorado children—would be cut by 1.5 percent below the 2007 level.

These investments to a growing economy for America’s families are needed because, according to the Census Bureau, the median income in Colorado has dropped by $4,041 since 2000, while health care and energy prices are climbing. But still more is needed.

So, I am glad that the conference report provides for increasing funding for State Children’s Health Insurance Program (SCHIP)—to help cover the 176,230 of Colorado’s children who do not have health insurance. And because it is so important for Colorado’s ranchers, farmers, and rural communities, I strongly support the part of the conference report that supports policies to strengthen the farm bill’s economic benefits.

Mr. Speaker, I can understand why the Bush Administration does not like this conference report. After all, it rejects the Administration’s misguided priorities. But it is dis- credited, tired and false claim of the Republican colleagues still are so willing to unquestioningly follow the President’s lead. And, while I suppose it’s to be expected, it’s particularly unfortunate that they have decided to attack this conference report by resorting to the old, tired and false claim that it is “the largest tax increase in history.”

But the facts are otherwise. The conference report does not affect the top-heavy tax cuts
the Bush administration and the Republican leadership pushed through since 2001—they remain in place as they stand, which means they will not expire for 4 years.

I did not vote for all of those tax cuts, but I did support some that are most important for America's working families, including marriage penalty relief, child tax credit, and additional extensions of those in 2011, including an extension of the child tax credit, marriage penalty relief, and the ten percent individual income tax bracket. And when the rest of the tax cuts come up for reconsideration, Congress can and should reconsider whether to extend them, as they are now or in modified form.

I support that approach, which is quite different from the alternative approach that would have been taken by the Republican alternative that the House rightly rejected earlier this year. It would have insisted on locking in all of those in 2011, including an extension of the child tax credit, marriage penalty relief, and the ten percent individual income tax bracket. And when the rest of the tax cuts come up for reconsideration, Congress can and should reconsider whether to extend them, as they are now or in modified form.

I did like some things in the Republican alternative—including a constitutionally-sound line-item veto provision similar to my Stimulating Leadership in Cutting Expenditures (“SLICE”) legislation—but overall I thought it was not a responsible approach and I could not support it, just as I could not support the other alternatives debated in the House.

Regarding the other alternatives, in reviewing the formal record of rollcall 209, the vote on the Kilpatrick substitute, I found I am recorded as having voted “yes.” However, I had intended to vote “no,” and my recollection is that I did vote “no.”

Unlike those alternatives, and like the resolution passed by the House, this conference report is well balanced in its combination of fiscal responsibility and focusing priorities. It will support it and I urge its approval by the House.

Mr. FOSSELLA. Mr. Speaker, I rise today in opposition to this budget, which significantly raises taxes on the American people. The Conference Report represents an enormous tax increase on hard-working American families—families that cannot afford to send more of their money for politicians and bureaucrats to spend.

My staff analyzed the original House budget resolution and determined that it would cost an average family on Staten Island or Brooklyn nearly $4,000 more a year in Federal taxes. My friends across the aisle hail this resolution and determined that it would cost $1,500 more, and a New York City Firefighter $2,000 more.

The other side claims to support a “Pay As You Go” system when, in reality, this budget Resolution amounts to “Buy Now, Pay $400 Billion More in Taxes Later.”

I urge my colleagues to vote against what is one of the largest tax increases—if not the largest tax increase—in American history.

The SPEAKER pro tempore. The question is on the conference report.

Pursuant to clause 10 of rule XX, the yeas and nays are ordered.

The vote was taken by electronic device, and there were—yeas 214, nays 209, not voting 10, as follows:

[Roll No. 377]

YEA-214

Abercrombie  Giffords  Michaud
Ackerman  Gilman  Miller (NC)
Ackerman  Gonzalez  Miller (MO)
Altmire  Green  Moran
Andrews  Arcuri  Moss
Arcuri  Green  Moore (GA)
Baca  Baldwin  Murphy (CT)
Baca  Beitzel  Murtha
Berkley  Barry (NV)  Nadler
Berman  Battise  Napolitano
Bishop (GA)  Hargus  Neel (AL)
Bishop (NY)  Hinchey  Nethercutt
Blumenauer  Hinojosa  Oberstar
Bonnen  Boyce (KY)  Ober  Ortiz
Boucher  Boyd (FL)  Ollie
Brown, Corrine  Boyles  Pataki
Browne, Corrine  Brown (FL)  Payne
Butterfield  Capps  Price (NC)
Cardona  Carter (NY)  Rahall
Carnahan  Cash (TX)  Ranaj  Reyes
Carson  Johnson (GA)  Rodriguez
Carson  Johnson (NY)  Ross
Cashen  Kagan  Rothman
Clarke  Kaptur  Roybal-Allard
Clarke  Kennedy  Rush
Clay  Kildee  Ryan (OH)
Cleaver  Kilpatrick  Salazar
Conyers  Kind  Sánchez, Linda T
Cooper  K состо  Sanchez, Loretta
Costa  Kuster  Sarbanes
Costello  Lauren (PA)  Schiff
Courteau  Larsen (WA)  Schakowsky
Cramer  Larzelere  Schiffer
Crescenzio  Lasak (PA)  Schmick
Cruell  Lautenberg  Schmelzer
Crowley  Lautner (RT)  Scherer
Cuevas  Lee  Skeen
Culver  Levin  Skelton
Dail  David (NV)  Slaughter
Daines  David (GA)  Smith (MA)
Davids  Davis (PA)  Smith (VA)
Davis (AL)  Davis (NC)  Serrano
Davis (IL)  Davis (WI)  Shaw
Davis, Lincoln  DeFalco  Sheraton
DePasquale  Delahunt  Sherman
DeLaro  DeLauro  Sherwood
DeGette  Delahunt  Sherman
Dicks  Delahunt  Sherman
Dinger  Delahunt  Sherman
Doggett  McDermott  Sestak
Doyle  McKeon  Sestak
Edwards  McMillian  Sestak
Elishon  McIntyre  Sherrill
Emanuel  McNeill  Sherrill
Farr  McNeil  Shimkus
Fattah  Mendelsohn  Shriver
Finer  Mendelsohn  Shriver
Frank (MA)  Meeks (NY)  Smith (WA)
Van Hollen  Maloney (FL)  Snyder
Velasquez  Maloney (NY)  Snyder
Wals (MN)  Maloney (NY)  Snyder
Wasserman Schultz  Maloney (NY)  Snyder
Ulrich (OH)  Watson  Snyder
Wein  Water  Spalding
Weiner  Wendell  Spain
Welch (VT)  Wexler  Speier
Wieder  Whittal  Speaker
Wixom  Wolsely  Speaker
Yarmuth  Wynn

NAYS-209

Prellingskuh  Geu  Nunes
Pence  Glenn  Paul
Perez  Goode  Peterson (PA)
Peters  Goodlatte  Petri
Pickering  Gohmert  Pitts
Platts  Granger  Pitts
Porter  Graves  Poe
Price (GA)  Porter  Poe
Pryce (OH)  Price (GA)  Posey
Putnam  Raab  Poyner
Radanovich  Raburn  Prejean
Ramanad  Bach  Rogers (AL)
Reichert  Bach  Rogers (NY)
Renacci  Rohrabacher  Ron Paul
Roe  Ros-Lehtinen  Roybal
Royce  Romania  Roybal-Allard
Ryan (WI)  Sarbanes  Roybal-Allard
Saxton  Schakowsky  Roybal-Allard
Schmidt  Scherzer  Roybal-Allard
Seelbinder  Sherman  Roybal-Allard
Shays  Sherman  Roybal-Allard
Shuster  Sherman  Roybal-Allard
Simon  Sherman  Roybal-Allard
Skelton  Sherman  Roybal-Allard
Slaton  Sherman  Roybal-Allard
Smolen (FL)  Sherman  Roybal-Allard
Smith (NJ)  Sherman  Roybal-Allard
Smith (TX)  Sherman  Roybal-Allard
Soudier  Sherman  Roybal-Allard
Speier  Sherman  Roybal-Allard
Stearns  Sherman  Roybal-Allard
T. A.  Sherman  Roybal-Allard
Taylor  Sherman  Roybal-Allard
Terry  Sherman  Roybal-Allard
Thash  Sherman  Roybal-Allard
Tiberi  Sherman  Roybal-Allard
Turner  Simpson  Roybal-Allard
Upton  Simpson  Roybal-Allard
Waxberg  Simpson  Roybal-Allard
Watson  Simpson  Roybal-Allard
Weber  Simpson  Roybal-Allard
Westmoreland  Simpson  Roybal-Allard
Whittington  Simpson  Roybal-Allard
Wicker  Simpson  Roybal-Allard
Wilson (NM)  Simpson  Roybal-Allard
Wilson (SC)  Simpson  Roybal-Allard
Wolf  Simpson  Roybal-Allard
Young (AK)  Simpson  Roybal-Allard
Young (FL)  Simpson  Roybal-Allard

NOT VOTING-10

Baird  Brown  McMorris
Cubin  Davis, Jon  Rodgers
Engel  Davis, Jo Ann  Shays

1601

Mr. GOHMERT and Mrs. BACHMANN changed their vote from “nay” to “yea.”

So the conference report was agreed to.

The result of the vote was announced as above recorded.
EXPRESSING APPRECIATION TO COMMITTEE ON THE BUDGET STAFF

(Mr. SPRATT asked and was given permission to address the House for 1 minute.)

Mr. SPRATT. Mr. Speaker, I speak for myself, as the chairman of the Budget Committee, and for Mr. RYAN, as the ranking member, expressing our appreciation to our staff, who have done a marvelous job on both sides of the aisle in working together on this budget resolution that ultimately prevailed today.

I place into the RECORD the names of the staffers who have been key participants in the effort on our side of the aisle.

HOUSE BUDGET COMMITTEE STAFF

Tom Kahn
Sarah Abernathy
Ellen Balis
Arthur Burris
Linda Bywaters
Barbara Chew
Marsha Douglass
Stephen Elmore
Chuck Fant
Jose Guillen
Jennifer Hanson-Kilbride
Chris Long
Shella McDowell
Richard Magie
Diana Meredith
Mark Middaugh
Galill Miller
Morna Miller
Nancy Mujumdar
Ifoma Okwuje
Kimberly Overbeek
Kitty Richards
Diane Rogers
Scott Russell
Nicole Silver
Noami Stem
Meaghan Strickland
Lisa Venus
Greg Waring
Andrew Weathers
Jason Weller

LEADERSHIP STAFF

Ed Lorenzen
Wendell Primus

PERMISSION TO REDUCE TIME FOR ELECTRONIC VOTING DURING CONSIDERATION OF H.R. 1427, FEDERAL HOUSING FINANCE REFORM ACT OF 2007

Mr. SPRATT. Mr. Speaker, I ask unanimous consent that, during consideration of H.R. 1427, pursuant to House Resolution 404, the Chair may reduce to 2 minutes the minimum time for electronic voting under clause 6 of rule XVIII and clauses 8 and 9 of rule XX.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from South Carolina?

There was no objection.

GENERAL LEAVE

Mr. FRANK of Massachusetts. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks on H.R. 1427 and to insert extraneous material thereon.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

FEDERAL HOUSING FINANCE REFORM ACT OF 2007

The SPEAKER pro tempore. Pursuant to House Resolution 404 and rule XVIII, the Chair declares the House in the Committee of the Whole House on the state of the Union for the consideration of the bill, H.R. 1427.

The CONVERTER. Mr. Speaker, I speak myself, as the chairman of the Committee on the Budget, pursuant to the rule, the bill is considered read the first time.

The CONVERTER. The Chair recognizes the gentleman from Massachusetts.

Mr. FRANK of Massachusetts. Mr. Chairman, I yield myself such time as I may consume.

The CONVERTER. Mr. Chairman, I want to begin by again asking the indulgence of the House for my less than usual sartorial splendor, but the cast on my left arm would misalign my jacket, and I wouldn’t want to wear a suit unless I could do it full justice. So I am wearing a sweater that Mr. ROGERS no longer feels comfortable in.

I may consume.

Chairman, I yield myself such time as I may need.

Mr. Chairman, the bill has two major components. One major component is that, with regard to regulation and the regulator, there are some controversial elements here, but very few deal with the powers of the regulator that we have set up. And I am pleased that the Treasury Department, Under Secretary Paulson and Under Secretary Steel, has agreed. In fact, this is a bill which, with regard to regulation and the regulator, is a little bit stronger than the one we passed a few years ago.

Mr. Chairman, the bill has two major components. One major component is that, with regard to regulation and the regulator, there are some controversial elements here, but very few deal with the powers of the regulator that we have set up. And I am pleased that the Treasury Department, Under Secretary Paulson and Under Secretary Steel, has agreed. In fact, this is a bill which, with regard to regulation and the regulator, is a little bit stronger than the one we passed a few years ago.

We had some negotiations. They were useful, and we have a fully empowered regulator here, independently funded and empowered to do whatever needs to be done to deal with any safety and soundness issues that arise from Fannie Mae and Freddie Mac.

The most controversial areas of the bill involve a provision that was also in the bill when it last passed, and that is an affordable housing fund. A number of people have argued over the years that Fannie Mae and Freddie Mac receive from the Federal Government advantages which help them borrow money cheaply in the market, and that is true. There is a connection between Fannie Mae and Freddie Mac and the Federal Government. Those who borrow that money thinking that the Federal Government guarantees it are wrong. There is no Federal guarantee implicit, explicit, or any other way. But it is the case that the market does set an interest rate that the entities can borrow at a very favorable rate and lends them money at a somewhat lower rate than other entities can borrow. The reason for its having been set up that way was to try to help housing, especially home ownership because these entities buy the mortgages and help bring down the cost of mortgages, but they have also been given for years goals by the law where they are particularly to help lower income housing.

Now, a number of people have argued over the years that Fannie Mae and Freddie Mac’s shareholders, and in the past some of their executives, received too large a share of those benefits. The argument was, with some accuracy, that Fannie Mae and Freddie Mac benefited very much and not enough of that reached the public.

There are two ways you could deal with that. You could reduce the benefits that Fannie Mae and Freddie Mac get. Some people have advocated that. Alternatively, you could do what this bill does: leave the existing situation which provides some benefits to them but increase the share of those benefits that go for public purposes. We do that in two ways in this bill: First of all, and this does not appear to be terribly controversial, Fannie Mae and Freddie Mac have statutorily imposed goals. Some people have said these are private corporations and you shouldn’t tell them what to do. Well, we have been doing that for a very long time. They are told that they must, in purchasing mortgages in the secondary market, make certain purchases that...