

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from California (Mrs. DAVIS) is recognized for 5 minutes.

(Ms. DAVIS of California addressed the House. Her remarks will appear hereafter in the Extensions of Remarks.)

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from Illinois (Ms. SCHAKOWSKY) is recognized for 5 minutes.

(Ms. SCHAKOWSKY addressed the House. Her remarks will appear hereafter in the Extensions of Remarks.)

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Guam (Mr. UNDERWOOD) is recognized for 5 minutes.

(Mr. UNDERWOOD addressed the House. His remarks will appear hereafter in the Extensions of Remarks.)

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from New York (Ms. SLAUGHTER) is recognized for 5 minutes.

(Ms. SLAUGHTER addressed the House. Her remarks will appear hereafter in the Extensions of Remarks.)

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Ohio (Mr. SAWYER) is recognized for 5 minutes.

(Mr. SAWYER addressed the House. His remarks will appear hereafter in the Extensions of Remarks.)

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California (Mr. SHERMAN) is recognized for 5 minutes.

(Mr. SHERMAN addressed the House. His remarks will appear hereafter in the Extensions of Remarks.)

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from California (Ms. LOFGREN) is recognized for 5 minutes.

(Ms. LOFGREN addressed the House. Her remarks will appear hereafter in the Extensions of Remarks.)

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from California (Ms. LEE) is recognized for 5 minutes.

(Ms. LEE addressed the House. Her remarks will appear hereafter in the Extensions of Remarks.)

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from California (Mrs. NAPOLITANO) is recognized for 5 minutes.

(Mrs. NAPOLITANO addressed the House. Her remarks will appear hereafter in the Extensions of Remarks.)

The SPEAKER pro tempore. Under a previous order of the House, the gentle-

woman from California (Ms. WATSON) is recognized for 5 minutes.

(Ms. WATSON addressed the House. Her remarks will appear hereafter in the Extensions of Remarks.)

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from the Virgin Islands (Mrs. CHRISTENSEN) is recognized for 5 minutes.

(Mrs. CHRISTENSEN addressed the House. Her remarks will appear hereafter in the Extensions of Remarks.)

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California (Mr. FARR) is recognized for 5 minutes.

(Mr. FARR of California addressed the House. His remarks will appear hereafter in the Extensions of Remarks.)

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from North Carolina (Mr. SPRATT) is recognized for 5 minutes.

(Mr. SPRATT addressed the House. His remarks will appear hereafter in the Extensions of Remarks.)

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Wisconsin (Mr. OBEY) is recognized for 5 minutes.

(Mr. OBEY addressed the House. His remarks will appear hereafter in the Extensions of Remarks.)

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from California (Ms. SOLIS) is recognized for 5 minutes.

(Ms. SOLIS addressed the House. Her remarks will appear hereafter in the Extensions of Remarks.)

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from California (Ms. WOOLSEY) is recognized for 5 minutes.

(Ms. WOOLSEY addressed the House. Her remarks will appear hereafter in the Extensions of Remarks.)

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from Texas (Ms. JACKSON-LEE) is recognized for 5 minutes.

(Ms. JACKSON-LEE of Texas addressed the House. Her remarks will appear hereafter in the Extensions of Remarks.)

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New York (Mr. OWENS) is recognized for 5 minutes.

(Mr. OWENS addressed the House. His remarks will appear hereafter in the Extensions of Remarks.)

The SPEAKER pro tempore. Under a previous order of the House, the gen-

tleman from American Samoa (Mr. FALEOMAVAEGA) is recognized for 5 minutes.

(Mr. FALEOMAVAEGA addressed the House. His remarks will appear hereafter in the Extensions of Remarks.)

BUDGET

The SPEAKER pro tempore. Under the Speaker's announced policy of January 3, 2001, the gentleman from Texas (Mr. SANDLIN) is recognized for half the time before midnight as the designee of the minority leader.

Mr. SANDLIN. Mr. Speaker, I think it is important that we ask ourselves: What are we doing here today? What have we been doing recently?

During the day we waste our time on mostly ridiculous nonbinding resolutions while major economic issues are needed to be addressed. Where is the debate on Social Security? What are we doing about economics? What about our education reform? Where is some real pension reform legislation? What about a real prescription drug plan for this country? What about health care, Medicare? What about these issues? What are we doing; and importantly, where are we on the budget?

Mr. Speaker, today, as we stand here today, it marks the first day of the fiscal new year. As Alan Jackson, a country western singer, says, Who says you can't have it all? Well, apparently not our friends on the other side of the aisle. While most New Years are a cause for celebration, this particular fiscal new year is anything but joyous and provides us with a very sober opportunity to examine the sorry state of our country's fiscal health: \$6.15 trillion in debt, \$1 billion a day interest payments, increasing obligations, decreasing investments, and broken promises.

The Blue Dog Coalition has worked hard to sustain the Federal budget surpluses that our country has enjoyed for the last several years. Make no mistake about it, we have huge deficits, we have huge debts. Those deficits are growing day by day. Right now, as our friend Chris Farley would say, we do not have Jack squat.

The deteriorating state of our Nation's fiscal situation is well known to Members of the Congress and to the public, though it is worth recalling exactly how drastically our budget surpluses have turned into budget deficits.

Just last year, in 2001, the CBO projected that the Federal Government would run a 10-year budget surplus of \$3.4 trillion, excluding the Social Security surplus. The CBO now predicts that the government will run a 10-year budget deficit of \$1.5 trillion, a staggering reversal of approximately \$5 trillion.

Further, the CBO estimates that the Federal Government will run a unified deficit of \$157 billion in fiscal year 2002. When the Social Security surplus is excluded, however, the CBO projects a deficit of \$314 billion. For the current

fiscal year, which starts today, the CBO estimates a unified budget deficit of \$145 billion and a deficit of \$315 billion when the Social Security surplus is excluded.

Now, while Members of both parties argue over the specific reasons for the shift from surpluses to deficits, the fact remains that the Federal budget is now in the red and will remain in the red for the foreseeable future. Further, though our country's anticipated effort to disarm Saddam Hussein's weapons of mass destruction is necessary, any future action in Iraq will increase Federal spending and almost certainly expand deficits in the near future.

In light of our current and anticipated deficits, the Blue Dogs believe that the Congress must take several vitally important steps to return our Federal budget to fiscal health and fiscal responsibility.

For starters, the other body needs to extend the pay-go provision of the Budget Enforcement Act, which expired just yesterday. Our country is in real danger of suffering from a budget hangover in the aftermath of this fiscal new year. As we all know, pay-go restrains the natural tendencies of Congress to overspending by renewing enforceable spending limits. As called for in the Blue Dogs' ABC budget plan, Congress can take the necessary first step towards reestablishing balanced budgets and possibly budget surpluses.

As Federal Reserve Chairman Alan Greenspan noted recently in his September 12 testimony before the Committee on the Budget, "The pay-go rules served as useful tools to control the deficits. In essence, the rules provided a means for advancing the broader good of sound fiscal policy over narrower interests."

Chairman Greenspan went on to assert that "now is not the time to abandon the discipline and structure that worked so well for so long. The framework enacted in the Budget Enforcement Act of 1990 and extended several times must be preserved."

But the pay-go rules to which Congress has adhered for the past decade are not an end to themselves. They serve only as a means to very important ends. The people of east Texas in my district have felt the negative impact of the national economic downturn, and seniors in my district need assurances that Congress will not end up raiding the Social Security fund to make up for budget shortfalls.

During 2001, Congress and the President promised to secure the Social Security Trust Fund surplus in a so-called lockbox. The Democrats proposed a true lockbox. The Republican lockbox had a trap door and is nothing more than a figment of their collective imagination. Our country's anticipated budget deficits will siphon money out of the Social Security Trust Fund for years and years and years and years to come.

Last year a number of Blue Dogs, including myself, introduced the Restore

Fiscal Discipline and Safeguard Social Security Act. This legislation, which would require Congress and the President to have a midyear review if the CBO projects ongoing deficits during its annual budget reestimates in August, is an important step toward ensuring the continued existence of the Social Security Trust Fund.

Unfortunately, the Blue Dogs' efforts to offer this measure on the House floor were repeatedly denied by the Republican House leadership. Budget deficits have consequences and are financed by sacrificing national priorities like Social Security and Medicare.

The Federal Government is projected to borrow nearly all of the Social Security surpluses to pay for the deficits in the remainder of the budget. We are scheduled to borrow nearly all of it, \$964 billion over the next 5 years, and more than \$2 trillion over the next 10 years.

Mr. Speaker, deficit spending to compensate for a downturn in the economy and a war in Iraq should not jeopardize the retirement security of our Nation's seniors, who in most cases have contributed to the Social Security system for all of their working lives.

In addition to preserving Social Security for current and future generations, the Blue Dogs continue to work for fiscal discipline in an effort to lower long-term interest rates. Congress has a significant role to play in keeping the growth of long-term interest rates in check through the enforcement of fiscal discipline.

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According to Alan Greenspan in his testimony, "If you watch the way markets behave, long-term interest rates, both real and nominal, are affected in a significant manner by the long-term fiscal outlook, and when you change the long-term fiscal outlook or, more exactly, when the markets perceive a change in the long-term fiscal outlook, interest rates react immediately."

Lower interest rates represent a de facto tax cut for millions of American families and serve as an effective economic stimulus as families and individuals save money on their mortgages, save money on their car loans, save money on their credit cards payments, save money on all consumer debt. It is the best tax cut of all for American families.

The Blue Dogs remain committed to strong economic growth which does not represent party labels and it benefits all Americans. Fiscal responsibility includes transparent budgeting, paying down the debt, balancing the budget, and keeping our commitment to respect our seniors and invest in the children of America.

Let us give the budget debate the time it deserves. Let us do it now. Let us stay here hour to hour, day to day, week to week and, yes, month to month until the important work of the people is complete.

We need a prescription drug plan. We need legislation to protect pensions and to jail corporate thieves. We need a true Patients' Bill of Rights. We need to protect Social Security from privatization. To address these needs we need a firm financial foundation.

Mr. Speaker, to address these needs we need a fiscally responsible budget. Let us do it. Let us do it now. Let us take the time to do the people's work.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. BECERRA (at the request of Mr. GEPHARDT) for today on account of personal reasons.

Mr. HASTINGS of Florida (at the request of Mr. GEPHARDT) for today and the balance of the week on account of official business.

Ms. MCKINNEY (at the request of Mr. GEPHARDT) for today on account of a family emergency.

Mr. MASCARA (at the request of Mr. GEPHARDT) for today on account of illness in the family.

Mr. MENENDEZ (at the request of Mr. GEPHARDT) for today on account of a death in the family.

Mr. TANNER (at the request of Mr. GEPHARDT) for today and October 2 on account of a death in the family.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. SANDLIN) to revise and extend their remarks and include extraneous material:)

Ms. KAPTUR, for 5 minutes, today.

Mr. GREEN of Texas, for 5 minutes, today.

Ms. MILLENDER-MCDONALD, for 5 minutes, today.

Mr. FILNER, for 5 minutes, today.

Mr. BROWN of Ohio, for 5 minutes, today.

Ms. NORTON, for 5 minutes, today.

Ms. EDDIE BERNICE JOHNSON of Texas, for 5 minutes, today.

Mr. ETHERIDGE, for 5 minutes, today.

Mrs. MALONEY of New York, for 5 minutes, today.

Mr. DEFazio, for 5 minutes, today.

Ms. ROYBAL-ALLARD, for 5 minutes, today.

Mr. HONDA, for 5 minutes, today.

Mr. PAYNE, for 5 minutes, today.

Mrs. DAVIS of California, for 5 minutes, today.

Ms. SCHAKOWSKY, for 5 minutes, today.

Mr. UNDERWOOD, for 5 minutes, today.

Ms. SLAUGHTER, for 5 minutes, today.

Mr. SAWYER, for 5 minutes, today.

Mr. SHERMAN, for 5 minutes, today.

Ms. LOFGREN, for 5 minutes, today.

Ms. LEE, for 5 minutes, today.

Mrs. NAPOLITANO, for 5 minutes, today.

Ms. WATSON of California, for 5 minutes, today.