

First off, there are two bedrock principles in this provision of law. It prohibits the Federal Government of the United States from negotiating lower drug prices on behalf of Medicare beneficiaries. It prohibits the government from doing that.

We heard a discussion from the gentlewoman from New Mexico (Mrs. WILSON) about people who will be put together in groups and they will negotiate lower prices as much as 15 or 20 percent. Well, the government has done that with our veterans and they have lowered prices up to 60 percent for those drugs and the veterans group is much smaller than the Medicare group. So if we were to aggregate all of seniors voluntarily into a group without them paying a penny or premium of any sorts and have the government negotiate on their behalf for price reductions, one could expect that they might even exceed those of Veterans Administration. Maybe we would see prices even lower than in Canada.

That is the second bedrock principle of this legislation. Not only does this legislation at the behest of the pharmaceutical industry prohibit the government from negotiating lower prices in the extortionate cost of prescription drugs, the highest in the world here in the United States, secondly, it actually would say that not only can you not do that but it is going to stop the importation or really restrain the importation of less expensive drugs from Canada and other countries because it has a provision that says the Secretary of Health and Human Services will have to say that those drugs are safe, in his opinion.

Well, he has already rendered an opinion. He has already said they are not safe in his opinion. Now, there is a little problem with that. Actually, the supply chain in Canada has more integrity than the supply chain in the United States. In the United States we have a whole host of people who are out there. We have these closed-door pharmacies. We have unregulated middle men and wholesalers. The drugs really are not tracked and a whole lot of counterfeit drugs are getting injected into the system in the United States. But in Canada the Government of Canada negotiates on the behalf of the Canadian people very substantial price cuts from U.S. manufacturers of FDA-approved drugs; and when the drugs go to Canada, they are always within the purview of the government there. They track them much more carefully than in the United States.

So arguably you could say that FDA-approved, U.S.-manufactured pharmaceuticals returning to the United States from Canada directly to a consumer would be less likely to be adulterated or counterfeit than many of those in the supply chain in the United States of America. That is very well documented. It was particularly well documented in a recent series in *The Washington Post*.

So what is really at risk here? If it is not the health of seniors, which is sud-

denly of tremendous concern to the majority party here at the behest of the pharmaceutical and insurance industries, what is really at risk? Well, what is really at risk is the extortionate price they are able to extract from the American people for pharmaceuticals. Americans pay far more than any other developed nation in the world for pharmaceuticals. This bill will do nothing to help that. In fact, this bill will guarantee that price gouging will be continued.

The other big benefit is that seniors would be allowed under this bill to go and buy private insurance at a price that is not yet totally determined but with substantial deductibles. And under the optimistic estimates, and these are only estimates because God forbid the government even after giving a \$20 billion subsidy under this bill to the private insurance industry should mandate they do anything, we are hoping that they would offer an affordable benefit; and the estimates, optimistic, are that a person who has a drug bill of \$1,000 a year would get a benefit of \$109 a year after they pay their premiums, copayments, and deductibles. A person with a drug bill of \$5,000 a year would get a benefit of \$1,024. They would pay 80 percent of the cost. The person at \$1,000 a year would pay 77 percent of the cost.

If those same people were just allowed to purchase their drugs from Canada, the price would be 50 percent or less. If the government negotiated on their behalf using the market power of the people in Medicare to reduce the price, it would likely be 50 or 45 percent. So what we are really doing here is providing a huge subsidy to the private insurance industry setting up the pharmaceutical industry to continue price gouging and setting up seniors for a very big fall; and this is such a great benefit, it will not even begin until year 2007.

This is really not a good deal for America's seniors, and AARP should be ashamed that they have lent their endorsement to this. I do not know what they got in return. I know what that side got and that was huge contributions from the pharmaceutical and insurance industries.

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

(Mr. OSBORNE 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 Ohio (Mr. BROWN) is recognized for 5 minutes.

(Mr. BROWN of Ohio 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 gentle-

woman from the District of Columbia (Ms. NORTON) is recognized for 5 minutes.

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

#### STATUS REPORT ON CURRENT SPENDING LEVELS OF ON-BUDGET SPENDING AND REVENUES FOR FY 2004 AND THE 5-YEAR PERIOD FY 2004 THROUGH FY 2008

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

Mr. NUSSLE. Mr. Speaker, I am transmitting a status report on the current levels of on-budget spending and revenues for fiscal year 2004 and for the 5-year period of fiscal years 2004 through 2008. This report is necessary to facilitate the application of sections 302 and 311 of the Congressional Budget Act and section 501 of the conference report on the concurrent resolution on the budget for fiscal year 2004 (H. Con. Res. 95). This status report is current through November 14, 2003.

The term "current level" refers to the amounts of spending and revenues estimated for each fiscal year based on laws enacted or awaiting the President's signature.

The first table compares the current levels of total budget authority, outlays, and revenues with the aggregate levels set forth by H. Con. Res. 95. This comparison is needed to enforce section 311(a) of the Budget Act, which creates a point of order against measures that would breach the budget resolution's aggregate levels. The table does not show budget authority and outlays for fiscal years 2004 through 2008, because appropriations for those years have not yet been considered.

The second table compares the current levels of budget authority and outlays for discretionary action by each authorizing committee with the "section 302(a)" allocations made under H. Con. Res. 95 for fiscal year 2004 and fiscal years 2004 through 2008. "Discretionary action" refers to legislation enacted after the adoption of the budget resolution. A separate allocation for the Medicare program, as established under section 401(a)(3) of the budget resolution, is shown for fiscal year 2004 and fiscal years 2004 through 2013. This comparison is needed to enforce section 302(f) of the Budget Act, which creates a point of order against measures that would breach the section 302(a) discretionary action allocation of new budget authority for the committee that reported the measure. It is also needed to implement section 311(b), which exempts committees that comply with their allocations from the point of order under section 311(a).

The third table compares the current levels of discretionary appropriations for fiscal year 2004 with the "section 302(b)" suballocations of discretionary budget authority and outlays among Appropriations subcommittees. This table also compares the current level of total discretionary appropriations with the section 302(a) allocation for the Appropriations Committee. These comparisons are needed to enforce section 302(f) of the Budget Act because the point of order under that section equally applies to measures that would breach either the section 302(a) allocation or the applicable section 302(b) suballocation.

The last table gives the current level for 2005 of accounts identified for advance appropriations under section 501 of H. Con. Res. 95. This list is needed to enforce section 501 of the budget resolution, which creates a point of order against appropriation bills that contain advance appropriations that are: (i) not identified in the statement of managers or (ii) would cause the aggregate amount of such appropriations to exceed the level specified in the resolution.

REPORT TO THE SPEAKER FROM THE COMMITTEE ON THE BUDGET—STATUS OF THE FISCAL YEAR 2004 CONGRESSIONAL BUDGET ADOPTED IN H. CON. RES. 95, REFLECTING ACTION COMPLETED AS OF NOVEMBER 14, 2003

(On-budget amounts, in millions of dollars)

	Fiscal year 2004	Fiscal years 2004–2008
Appropriate Level:		
Budget Authority .....	1,880,555	(1)

REPORT TO THE SPEAKER FROM THE COMMITTEE ON THE BUDGET—STATUS OF THE FISCAL YEAR 2004 CONGRESSIONAL BUDGET ADOPTED IN H. CON. RES. 95, REFLECTING ACTION COMPLETED AS OF NOVEMBER 14, 2003—Continued

(On-budget amounts, in millions of dollars)

	Fiscal year 2004	Fiscal years 2004–2008
Outlays .....	1,903,502	(1)
Revenues .....	1,325,452	8,168,933
Current Level:		
Budget Authority .....	1,861,384	(1)
Outlays .....	1,883,370	(1)
Revenues .....	1,330,943	8,376,570
Current Level over (+)/under (–) Appropriate Level:		
Budget Authority .....	–19,171	(1)
Outlays .....	–20,132	(1)
Revenues .....	5,491	207,637

<sup>1</sup> Not applicable because annual appropriations Acts for fiscal years 2005 through 2008 will not be considered until future sessions of Congress.

BUDGET AUTHORITY

Enactment of measures providing new budget authority for FY 2004 in excess of \$19,171,000,000 (if not already included in the

current level estimate) would cause FY 2004 budget authority to exceed the appropriate level set by H. Con. Res. 95.

OUTLAYS

Enactment of measures providing new outlays for FY 2004 in excess of \$20,132,000,000 (if not already included in the current level estimate) would cause FY 2004 outlays to exceed the appropriate level set by H. Con. Res. 95.

REVENUES

Enactment of measures that would result in revenue reduction for FY 2004 in excess of \$5,491,000,000 (if not already included in the current level estimate) would cause revenues to fall below the appropriate level set by H. Con. Res. 95.

Enactment of measures resulting in revenue reduction for the period FY 2004 through 2008 in excess of \$207,637,000,000 (if not already included in the current level estimate) would cause revenues to fall below the appropriate levels set by H. Con. Res. 95.

DIRECT SPENDING LEGISLATION—COMPARISON OF CURRENT LEVEL WITH AUTHORIZING COMMITTEE 302(a) ALLOCATIONS FOR DISCRETIONARY ACTION, REFLECTING ACTION COMPLETED AS OF NOVEMBER 14, 2003

(Fiscal years, in millions of dollars)

House Committee	2004		2004–2008 total		2004–2013 total	
	BA	Outlays	BA	Outlays	BA	Outlays
<b>Agriculture:</b>						
Allocation .....	0	0	0	0	(1)	(1)
Current Level .....	0	0	0	0	(1)	(1)
Difference .....	0	0	0	0	(1)	(1)
<b>Armed Services:</b>						
Allocation .....	70	34	70	70	(1)	(1)
Current Level .....	3,823	365	15,173	12,760	(1)	(1)
Difference .....	3,753	331	15,103	12,690	(1)	(1)
<b>Education and the Workforce:</b>						
Allocation .....	39	47	201	245	(1)	(1)
Current Level .....	9	8	9	9	(1)	(1)
Difference .....	–30	–39	–192	–236	(1)	(1)
<b>Energy and Commerce:</b>						
Allocation .....	–170	–170	439	439	(1)	(1)
Current Level .....	1,502	263	951	1,067	(1)	(1)
Difference .....	1,672	433	512	628	(1)	(1)
<b>Financial Services:</b>						
Allocation .....	0	375	0	1,250	(1)	(1)
Current Level .....	–1	–1	–2	–2	(1)	(1)
Difference .....	–1	–376	–2	–1,252	(1)	(1)
<b>Government Reform:</b>						
Allocation .....	–1	0	–3	–1	(1)	(1)
Current Level .....	2	2	24	24	(1)	(1)
Difference .....	3	2	27	25	(1)	(1)
<b>House Administration:</b>						
Allocation .....	0	0	0	0	(1)	(1)
Current Level .....	1	1	3	3	(1)	(1)
Difference .....	1	1	3	3	(1)	(1)
<b>International Relations:</b>						
Allocation .....	0	0	0	0	(1)	(1)
Current Level .....	0	0	0	0	(1)	(1)
Difference .....	0	0	0	0	(1)	(1)
<b>Judiciary:</b>						
Allocation .....	19	19	95	95	(1)	(1)
Current Level .....	0	0	0	0	(1)	(1)
Difference .....	–19	–19	–95	–95	(1)	(1)
<b>Resources:</b>						
Allocation .....	24	24	522	342	(1)	(1)
Current Level .....	0	0	0	0	(1)	(1)
Difference .....	–24	–24	–522	–342	(1)	(1)
<b>Science:</b>						
Allocation .....	0	0	0	0	(1)	(1)
Current Level .....	0	0	0	0	(1)	(1)
Difference .....	0	0	0	0	(1)	(1)
<b>Small Business:</b>						
Allocation .....	0	0	0	0	(1)	(1)
Current Level .....	0	0	0	0	(1)	(1)
Difference .....	0	0	0	0	(1)	(1)
<b>Transportation and Infrastructure:</b>						
Allocation .....	9,256	0	41,134	0	(1)	(1)
Current Level .....	6,406	0	6,406	0	(1)	(1)
Difference .....	–2,850	0	–34,728	0	(1)	(1)
<b>Veterans' Affairs:</b>						
Allocation .....	0	0	(1)	(1)	0	0
Current Level .....	0	0	(1)	(1)	0	0
Difference .....	0	0	0	0	(1)	(1)
Current Level .....	0	0	0	0	(1)	(1)
Difference .....	0	0	0	0	(1)	(1)
<b>Ways and Means:</b>						
Allocation .....	20,626	20,054	24,079	23,876	(1)	(1)
Current Level .....	17,979	17,960	22,810	22,850	(1)	(1)
Difference .....	–2,647	–2,094	–1,269	–1,026	(1)	(1)
<b>Medicare:</b>						
Allocation .....	0	0	(1)	(1)	0	0
Current Level .....	0	0	(1)	(1)	0	0
Difference .....	0	0	(1)	(1)	0	0

<sup>1</sup> Not applicable.

DISCRETIONARY APPROPRIATIONS FOR FISCAL YEAR 2004—COMPARISON OF CURRENT LEVEL WITH APPROPRIATIONS COMMITTEE 302(a) ALLOCATION AND APPROPRIATIONS SUBCOMMITTEE 302(b) SUBALLOCATIONS

[In millions of dollars]

Appropriations Subcommittee	302(b) suballocations as of July 22, 2003 (H. Rpt. 108-228)		Current level reflecting action completed as of November 14, 2003		Current level minus suballocations	
	BA	OT	BA	OT	BA	OT
Agriculture, Rural Development .....	17,005	17,686	17,990	18,045	985	359
Commerce, Justice, State .....	37,914	41,009	37,490	40,070	-424	-939
National Defense .....	368,662	389,221	368,183	388,642	-479	-579
District of Columbia .....	466	464	509	514	43	50
Energy & Water Development .....	27,080	27,211	25,846	26,086	-1,234	-1,125
Foreign Operations .....	17,120	20,185	16,227	19,980	-893	-205
Homeland Security .....	29,411	30,506	29,411	30,110	0	-396
Interior .....	19,627	19,400	19,657	19,424	30	24
Labor, HHS & Education .....	138,036	134,766	134,313	133,893	-3,723	-873
Legislative Branch .....	3,512	3,662	3,548	3,620	36	-42
Military Construction .....	9,196	10,282	9,316	10,247	120	-35
Transportation-Treasury .....	27,502	71,360	28,230	70,337	728	-1,023
VA-HUD-Independent Agencies .....	90,034	95,590	87,163	92,502	-2,871	-3,088
<b>Total (Section 302(a) Allocation) .....</b>	<b>785,565</b>	<b>861,342</b>	<b>777,883</b>	<b>853,470</b>	<b>-7,682</b>	<b>-7,872</b>

Statement of FY2005 advance appropriations under section 501 of H. Con. Res. 95 reflecting action completed as of November 14, 2003

[In millions of dollars]

Appropriate Level .....	Budget authority
23,158	
<b>Current Level:</b>	
Homeland Security Subcommittee: Bioshield <sup>1</sup> .....	2,528
Interior Subcommittee: Elk Hills .....	36
Labor, Health and Human Services, Education Subcommittee:	
Employment and Training Administration .....	0
Education for the Disadvantaged .....	0
School Improvement .....	0
Safe Schools .....	0
Children and Family Services (head start) .....	0
Special Education .....	0
Vocational and Adult Education .....	0
Treasury, General Government Subcommittee: Payment to Postal Service .....	0

Budget authority	
Veterans, Housing and Urban Development Subcommittee: Section 8 Renewals .....	0
<b>Total .....</b>	<b>2,564</b>

Current Level over (+)/under (-) Appropriate Level .....

<sup>1</sup>This advance appropriation was not on the list of accounts identified for advance appropriations included in the joint explanatory statement of the committee of conference in the conference report to accompany H. Con. Res. 95. Still, since the provision has been enacted, it is included as part of the current level for advance appropriations.

U.S. CONGRESS,  
CONGRESSIONAL BUDGET OFFICE,  
Washington, DC, November 18, 2003.

Hon. JIM NUSSLE,  
Chairman, Committee on the Budget, House of Representatives, Washington, DC.

DEAR MR. CHAIRMAN: The enclosed report shows the effects of Congressional action on the fiscal year 2004 budget and is current through November 14, 2003. This report is submitted under section 308(b) and in aid of section 311 of the Congressional Budget Act, as amended.

The estimates of budget authority, outlays, and revenues are consistent with the technical and economic assumptions of H. Con. Res. 95, the Concurrent Resolution on the Budget for Fiscal Year 2004. The budget resolution figures incorporate revisions submitted by the Committee on the Budget to the House to reflect funding for the Emer-

gency Wartime Supplemental Appropriations Act, 2003, and the Jobs and Growth Tax Relief Reconciliation Act of 2003. These revisions are authorized by sections 421 and 507 of H. Con. Res. 95, respectively.

Since my last letter, dated October 16, 2003, the Congress has cleared and the President has signed the following acts that changed budget authority, outlays, or revenues for 2004:

The Second Continuing Resolution, 2004 (Public Law 108-104);

The Third Continuing Resolution, 2004 (Public Law 108-107);

The Interior Appropriations Act, 2004 (Public Law 108-108); and

The Military Family Tax Relief Act of 2003 (Public Law 108-121).

In addition, the Congress has cleared the following legislation for the President's signature:

The National Defense Authorization Act for Fiscal Year 2004 (H.R. 1588);

The Military Construction Appropriations Act, 2004 (H.R. 2559);

The District of Columbia Military Retirement Equity Act of 2003 (H.R. 3054);

An act to re-authorize certain school lunch and child nutrition programs (H.R. 3232); and

An act to amend Title XXI of the Social Security Act (H.R. 3288).

Sincerely,  
DOUGLAS HOLTZ-EAKIN,  
Director.

Enclosure.

FISCAL YEAR 2004 HOUSE CURRENT LEVEL REPORT AS OF NOVEMBER 14, 2003

[In millions of dollars]

	Budget authority	Outlays	Revenues
<b>Enacted in previous sessions:</b>			
Revenues .....	0	0	1,466,370
Permanents and other spending legislation .....	1,085,217	1,058,045	0
Appropriation legislation .....	0	345,754	0
Offsetting receipts .....	-366,436	-366,436	0
<b>Total, enacted in previous sessions: .....</b>	<b>718,781</b>	<b>1,037,363</b>	<b>1,466,370</b>
<b>Enacted this session (excluding emergencies <sup>1</sup>):</b>			
<b>Authorizing Legislation:</b>			
American 5-Cent Coin Design Continuity Act of 2003 (P.L. 108-15) .....	-1	-1	0
Unemployment Compensation Amendments of 2003 (P.L. 108-26) .....	4,730	4,730	145
Jobs and Growth Tax Relief Reconciliation Act of 2003 (P.L. 108-27) .....	13,312	13,312	-135,370
Welfare Reform Extension Act of 2003 (P.L. 108-40) .....	99	108	0
Burmese Freedom and Democracy Act (P.L. 108-61) .....	0	0	-10
Smithsonian Facilities Authorization Act (P.L. 108-72) .....	1	1	0
An act to amend Title XXI of the Social Security Act (P.L. 108-74) .....	1,325	100	0
Chile Free Trade Agreement Implementation Act (P.L. 108-77) .....	0	0	-5
Singapore Free Trade Agreement Implementation Act (P.L. 108-78) .....	0	0	-55
First Continuing Resolution, 2004 (P.L. 108-84) .....	-2,222	1	-2
Surface Transportation Extension Act of 2003 (P.L. 108-88) .....	6,405	0	0
An act to extend the Temporary Assistance for Needy Families block grant program (P.L. 108-89) .....	15	-36	-33
An act to amend chapter 84 of title 5 of the United States Code (P.L. 108-92) .....	1	1	0
An act to amend the Immigration and Nationality Act (P.L. 108-99) .....	0	0	2
Second Continuing Resolution, 2004 (P.L. 108-104) .....	1	0	0
Military Family Tax Relief Act of 2003 (P.L. 108-121) .....	-595	-595	-169
<b>Total, authorizing legislation: .....</b>	<b>23,071</b>	<b>17,621</b>	<b>-135,431</b>
<b>Appropriations Acts:</b>			
Emergency Wartime Supplemental Appropriations Act, 2003 (P.L. 108-11) .....	215	27,349	0
Legislative Branch Appropriations Act, 2004 (P.L. 108-83) .....	3,548	2,949	0
Defense Appropriations Act (P.L. 108-87) .....	368,694	251,486	0

FISCAL YEAR 2004 HOUSE CURRENT LEVEL REPORT AS OF NOVEMBER 14, 2003—Continued

(In millions of dollars)

	Budget authority	Outlays	Revenues
Homeland Security Appropriations Act, 2004 (P.L. 108-90)	30,216	18,192	0
Interior Appropriations Act, 2004 (P.L. 108-108)	19,673	13,202	0
Total, appropriations acts:	422,346	313,178	0
Continuing Resolution Authority: Third Continuing Resolution, 2004 (P.L. 108-107)	325,871	174,311	-1
Total, enacted this session	771,288	505,110	-135,432
Cleared, pending signature:			
National Defense Authorization Act for Fiscal Year 2004 (H.R. 1588)	4,418	960	4
Military Construction Appropriations Act, 2004 (H.R. 2559)	9,316	2,567	0
District of Columbia Military Retirement Equity Act of 2003 (H.R. 3054)	1	1	1
An act to re-authorize certain school lunch and child nutrition programs (H.R. 3232)	7	7	0
An act to amend Title XXI of the Social Security Act (H.R. 3288)	0	9	0
Total, cleared, pending signature:	13,742	3,544	5
Entitlements and mandates: Difference between enacted levels and budget resolution estimates for appropriated entitlements and other mandatory programs	357,573	337,353	0
Total Current Level <sup>1, 2</sup>	1,861,384	1,883,370	1,330,943
Total Budget Resolution	1,880,555	1,903,502	1,325,452
Current Level Over Budget Resolution	0	0	5,491
Current Level Under Budget Resolution	19,171	20,132	0
Memorandum:			
Revenues, 2004-2008:			
House Current Level	0	0	8,376,570
House Budget Resolution	0	0	8,168,933
Current Level Over Budget Resolution	0	0	207,637

<sup>1</sup> Per section 502 of H. Con. Res. 95, the Concurrent Resolution on the Budget for Fiscal Year 2004, provisions designated as emergency requirements are exempt from enforcement of the budget resolution. As a result, the current level excludes the following items: outlays of \$262 million from funds provided in the Emergency Supplemental Appropriations for Disaster Relief Act of 2003 (P.L. 108-69); budget authority of -\$9 million and outlays of \$573 million from funds provided in the Legislative Branch Appropriations Act, 2004 (P.L. 108-83); budget authority of \$87,547 million and outlays of \$37,103 million provided in the Emergency Supplemental Appropriations Act for Defense and for the Reconstruction of Iraq and Afghanistan, 2004 (P.L. 108-106); and budget authority of \$400 million and outlays of \$67 million provided in the Interior Appropriations Act, 2004 (P.L. 108-108).

<sup>2</sup> For purposes of enforcing section 311 of the Congressional Budget Act in the House, the budget resolution does not include Social Security administrative expenses. As a result, the current level excludes budget authority of \$3,812 million and outlays of \$3,819 million for these items.

Notes.—P.L.=Public Law.  
Source: Congressional Budget Office.

THE INTRODUCTION OF THE GOODS MOVEMENT PROJECTS OF NATIONAL ECONOMIC SIGNIFICANCE (H.R. 3398)

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

Ms. MILLENDER-MCDONALD. Mr. Speaker, I want to bring to the attention of this Congress, legislation that I recently introduced.

The Goods Movement Projects of National Economic Significance is legislation that addresses some of our nation's most pressing transportation and economic needs.

THIS IS THE PROBLEM

How freight moves through our communities is an important issue with far reaching implications. Goods movement is the driving force of our nation's economy. This is a state issue, a Federal issue and it is an issue that directly affects the communities in which we live.

According to the Federal Highway Administration, \$7.4 trillion in goods were moved on the nation's highway system in 1998, directly employing 10 million people.

In 2000, \$706 billion in international merchandise trade flowed through U.S. Seaports and \$646 billion was handled by our Railroads.

The volume of goods is projected to grow nationally by 67 percent over the next two decades.

This tremendous growth in international trade will continue to place an increasingly heavy burden on our nation's seaports, trade corridors, highways and rail lines.

Traffic congestion, delays, accidents, and freight transportation costs have increased as a result.

On a human level—our citizens are spending more and more time stuck in traffic instead of at home with their families.

THIS IS THE HISTORY

Over the past 30 years our population has grown, our international trade has increased and our congestion has worsened.

For example, in 1970, trade was 12 percent of U.S. gross domestic product (GDP). Today, it is over 25 percent.

Since 1970 the population of the U.S. has grown by 40 percent. At the same time, the number of registered vehicles has increased by 100 percent while our road capacity has increased by only 6 percent.

By the year 2020, shipment of containerized cargo moving in and out of the United States will increase by more than 350 percent.

By the year 2020, total domestic tonnage of freight carried by all U.S. freight systems will increase by at least 67 percent and international trade will increase by nearly 100 percent.

The transportation reauthorization bill is the perfect opportunity for us to address these pressing transportation infrastructure needs.

TEA-21 began to address Goods Movement issues with the creation of the Borders and Corridors Program.

But we need to take it further during this reauthorization bill.

Back in 1998 when the Borders and Corridors program was created in TEA-21, the intent was to create a discretionary program that provided federal funding for transportation projects and initiatives that supported, enhanced and helped the movement of goods and economic development through the gateway and trade corridors in this country.

The program provided \$140 million a year. During the first 3 years the Federal Highway Administration (FHWA) received over \$2 billion in grant requests per year.

After the third year, the entire Borders and Corridors program had been earmarked.

Aside from the fact that the authorized amount of \$140 million per year was far too low to meet our Nation's infrastructure needs, the earmarking of this program has proved problematic.

It has prevented communities and regions from developing comprehensive programs and plans that addresses goods movement issues of our transportation infrastructure.

We must have a dedicated source of funding to ensure that goods movement and

projects of economic significance can be built and that these projects contribute to the overall efficiency of the national transportation infrastructure.

As we continue the dialog of reauthorizing the transportation bill, the Goods Movement Projects of National Economic Significance needs to be a part of that conversation.

THIS IS WHAT WE MUST DO

Goods Movement Projects of National Economic Significance will do the following:

It will provide \$3 billion per year to a Goods Movement Program.

Given the history of the Borders and Corridors Program we can safely assume that our transportation infrastructure can use at a minimum, \$3 billion a year, or \$18 billion for the life of the 6-year reauthorization bill.

This legislation separates the Borders and Corridors Program and creates one strong Corridor and Gateway Program.

Corridor projects represented 95 percent of the project requests for the Borders and Corridors program.

My legislation focuses our resources on projects and initiatives that promote the safe, secure and efficient mobility of goods and on the immediate and long-term needs of our transportation infrastructure.

This legislation combines and enhances elements of two highly successful transportation programs. This program uses the criteria from the Corridors program and combines it with the fiscal responsibility of the full funding grant agreement of the transit New Start Program.

Specifically, this program provides \$1½ billion a year, \$9 billion over the life of the reauthorization bill for local communities, states and the Federal Government to plan and build Goods Movement projects.

These projects will ultimately enhance local, regional, and state economies, and ultimately the national economy.

Finally, \$1½ billion a year or \$9 billion over the life of the reauthorization bill will be dedicated to funding projects of National Economic Significance.