

agenda. At this point, an average American may be asking why the Republican Party finds it necessary to cut so many fundamental programs. The answer is simple, yet disturbing: The majority party is cutting important programs in order to finance all their irresponsible tax cuts. They will continue to make the argument that tax cuts provide stimulus for our economy, but millions of unemployed Americans will tell you otherwise. In fact the Congressional Budget Office itself said "tax legislation will probably have a net negative effect on saving, investment, and capital accumulation over the next 10 years."

While the Republican Party continues its offensive for irresponsible tax policies, they allow our national deficit to grow increasingly larger. The deficits are so large and their policies are so irresponsible that they won't even make deficit projections past 2009. It's clear that the Republican Party is hiding from the American people. This President and this majority in Congress have yet to advocate a fiscal policy that helps average Americans. Special interests have become king in this budget at the price of sound fiscal policies.

DEMOCRATIC AND CBC ALTERNATIVE BUDGET

The truth about the budget is that a sound fiscal policy that funds needed programs is possible. The Democratic Alternative Budget and the CBC Alternative Budget are both examples of how we can get out of the quagmire that the Republican agenda has put this Nation in.

The Democratic budget achieves balance within eight years through realistic policy choices that protect funding for key services. The Democratic budget also has a better bottom line than the Republican budget every year, meaning a smaller national debt and fewer resources wasted paying interest on the national debt. Chronic deficits crowd out private borrowing, run up interest rates, and slow down economic growth. In addition, the Democratic budget provides \$1.3 billion more than the Republican budget for veterans programs for 2005 and \$6.6 billion more over five years. The Democratic budget provides \$2.1 billion more for appropriated education and training programs than the Republican budget for 2005 and \$9.8 billion more over the next five years. The Democratic budget also provides \$3.7 billion in mandatory funding to make up the current shortfall in funding for Pell grants and additional funding to make college loans cheaper for students. These programs are all funded while maintaining a sound fiscal policy. The Democratic budget achieves balance within eight years through realistic policy choices that protect funding for key services. The Democratic budget also has a better bottom line than the Republican budget every year, meaning a smaller national debt and fewer resources wasted paying interest on the national debt. Republicans will surely try to counter this by touting the benefits of tax cuts. However, most Americans are waking up to the fact that mass tax cuts targeted toward the wealthiest Americans will only bog down our national economy. The Democratic budget accommodates the extension of marriage-penalty relief, the child tax credit, and the ten percent individual income tax bracket. These tax cuts provide relief to middle-class families whose incomes have stagnated under the current administration's economic policies. This is what a sound fiscal policy really stands for.

This body was made to stand for the will of all Americans; if we allow this budget proposal to take effect we will have failed our mandate. I for one will not stand by silently; I have a duty to my constituents and indeed to all Americans to work for their well being and I will continue to honor that duty.

INNOVATIVE BUDGETING PROCEDURES FOR CONGRESS

The SPEAKER pro tempore (Ms. GINNY BROWN-WAITE of Florida.) Under the Speaker's announced policy of January 7, 2003, the gentleman from Illinois (Mr. KIRK) is recognized for 60 minutes as the designee of the majority leader.

Mr. KIRK. Madam Speaker, I believe the Federal Government must return to a balanced budget, not just as a goal of sound financial policy, but also as the sacred moral fulfillment of commitments that we have made to the American people.

I am pleased to be joined here by my colleague, the gentleman from Wisconsin (Mr. RYAN), who has joined across the ideological spectrum of our party to make sure that we have a budget that not only cuts the deficit, but that is enforced to make sure that the commitments we make under that budget are actually fulfilled.

I yield to my colleague, the gentleman from Wisconsin.

Mr. RYAN of Wisconsin. Madam Speaker, I thank the gentleman from Illinois (Mr. KIRK) for his work on this budget issue as well. Only if all of us work together to bring real reform to the budget process can we actually achieve that. The prior speaker, the gentleman from South Carolina (Mr. SPRATT), is a person who also deserves a tremendous amount of credit for his work on the budget issue. He is a person who has been around and has witnessed this budget process work and not work, and we really do look forward to working with him on this issue as well.

Madam Speaker, I want to briefly describe what the problem we have here is. Every time we bring a budget to the floor of the House of Representatives and the Senate and pass something, and we pass a budget every year, we debate about the numbers, we debate about the glidepath, the dates, all of those things. We just saw the charts of the gentleman from South Carolina (Mr. SPRATT).

This week the House Committee on the Budget will be bringing a budget resolution to the floor. The problem with this entire process is, once Congress sets a budget, Congress does not have to stick to that budget. That is a big problem. Look at how we do it with our family budgets. We do not have the ability to just assume more income into our families when we set a budget for our family budget for the year. However, Congress does that. So what we have here in this current system, it marks the 30th year where we have operated under these current rules, since

the 1974 Budget Act was passed, where we will pass a budget resolution, not into law, but as a resolution, binding Congress for the year to those numbers. The problem is, Congress does not have to follow those resolutions, and there are a thousand tricks out of those budget caps.

What we have proposed together, many of us, a large group of us on the Republican side of the aisle, and now we have some Democratic cosponsors on some of our bills, so that we are making this a bipartisan effort is, number one, let us make our budget binding. Let us actually pass a budget at the beginning of the session and get its top numbers signed into law by the President so that we have a budget that is legally binding on Congress. Once that is established, that can, therefore, give us the rules to enforce that budget. If we pass a budget that is not legally binding that we do not have to adhere to, it is difficult to enforce it.

So what we are proposing is, and this is something our coalition has come up with, I have introduced legislation along with the gentleman from Texas (Mr. HENSARLING) and the gentleman from Indiana (Mr. CHOCOLA) and the gentleman from California (Mr. COX) to do this as well; and the gentleman from Illinois (Mr. KIRK) has also introduced legislation. What we are proposing is, number one, a budget that gets signed into law in its numbers by the President; and, number two, because it is a legally binding budget and a legally binding document, we can, therefore, enforce it. If Congress, if spending exceeds the budget in any given year, automatically, an across-the-board spending cut, a sequester, kicks in to bring us back into conformity with the budget if Congress does not pass a bill to bring us into conformity with the budget. If we want to break that spending, it is no longer a majority vote, which is the case today; it is a two-thirds vote in the House and the Senate to actually break this legally-binding budget.

There are many other things we do in this bill, but I think it is very important that as Congress sets its track for spending, as we decide our priorities, as we determine when we hope to balance the budget, what level of spending for this, what level of taxing for that, we ought to be able to enforce that budget so we have the discipline needed to adhere to those goals and those challenges and those numbers.

Now, there are some other things that we think we need to do to address this issue, and that is there are a thousand little tricks that are employed here in Congress to get around what little spending discipline we have. For instance, we can pass an emergency spending bill, although emergencies do not have to be paid for in the current budget rules. Emergencies are things like a natural disaster like a tornado or a hurricane or a flood or, God forbid, another act of terrorism. Those things

do not have to be paid for under our current budget rules.

The problem is, Congress can declare anything an emergency. A couple of years ago in this House, we passed an emergency bill that put a \$2 million summit house on top of Pike's Peak during, I think, it was a flood disaster emergency bill at that time. We can declare anything an emergency today, and that is one of the often-used tricks to get around the budget rules. We need to stop that, and one of the things we have proposed in our coalition that the gentleman from Illinois (Congressman KIRK) and I are members of and the legislation we are proposing is to tightly define what an emergency is, really what an emergency is.

Mr. KIRK. Madam Speaker, if the gentleman will yield, before we go into some of the other reforms we have talked about, people have asked, if the Republican leadership is in control of Congress, why can it not enforce its own rules? What we have seen time and time again is the leadership many times is defeated by a majority on the House floor. This is a lot easier if we make a supermajority requirement to enforce the decisions that we have already made.

Mr. RYAN of Wisconsin. Madam Speaker, that is exactly right. We have a tight majority, and it is very easy for the leadership to come up with a good budget and good enforcement around that budget; but all it takes is a majority vote on the floor of the House to defeat that, and that often happens, that is often the case. Having that higher vote threshold makes it much more difficult for Congress to defeat its own budgets. Having a legally-binding budget, which automatically kicks in spending cuts across the board, forces Congress to act. And if Congress chooses not to act, then the across-the-board spending cut comes in. If two-thirds of the Members of Congress do not want that to happen, then they can make sure that that does not happen. But that is a much higher threshold.

Among the other tricks that we seek to limit here is not only do we want to tightly define what an emergency is, but we want to raise the vote threshold on emergencies to a two-thirds vote, so that that too is a protected procedure, not another game that can be used to get around the budget spending caps that we have. But also, we want to set aside money for emergencies. We often have emergencies in this country that need quick attention by Congress. That is why we are proposing to set up a rainy day fund. Several State legislatures and State governments do the same thing. Congress also should set money aside to budget for the inevitable emergencies that occur every single year. Clearly, we are not going to be able to plan for every emergency. We spent \$40 billion, as we needed to, after 9-11 to address that emergency. That was a lot of money; clearly, more than we have for our average tornado or natural disaster. But we can still try

and budget for the inevitable emergencies we will incur here this year.

Another thing that really happens that is a big problem in part of our appropriation process is in addition to the fact that the appropriations bills can form huge bills where they put seven to 10 appropriations bills in one giant omnibus bill, they can tack in spending items that have nothing to do with the issue at hand. Let us take, for example, one spending item that we voted against just this last December, \$50 million for a rain forest museum in Iowa City. They were going to build a rain forest under a glass bubble for \$50 million. That was tucked inside of an omnibus appropriations bill in the part that went to Labor and Health and Human Services. A \$50 million rain forest museum in the middle of Iowa has nothing to do with health, human services, or labor, the Labor Department. However, it was stuck into that portion of the bill.

Now, if we had the ability which, in this case, we did not in the House, to go to the floor, pass an amendment to defeat that \$50 million from going to that rain forest project, we could do that. The gentleman from Illinois (Mr. KIRK) and I could bring an amendment to the floor saying, we should not be putting \$50 million into a boondoggle rain forest museum in Iowa; let us pass an amendment to defeat that. We could pass that amendment. But by the rules of this institution, by the laws of the 1974 Budget Act, that \$50 million would have to be resented somewhere else in the Federal Government. It could not be saved. So that is another thing we want to fix.

Another huge, glaring glitch in the budget process is we want to be able to come to the floor of Congress, identify wasteful spending, make sure that this kind of pork does not happen again and not only defeat the pork, not only get these projects not funded, but save the money so we can use it to reduce taxes or to reduce deficits or reduce debt. That is another reform we put inside of our bill and inside the coalition of principles that we have all agreed to subscribe ourselves too.

Mr. KIRK. Madam Speaker, the example of the rain forest is a powerful one that we focused on. But we have another reform that we have seen difficulties with: a line-item veto, which allows the President to identify pork barrel spending and eliminate it. But we have a fix.

Mr. RYAN of Wisconsin. We do. That is a very important point that the gentleman from Illinois raises. If my colleague recalls, the line-item veto was knocked down by the Supreme Court a few years ago, for good reason, which was it is anticonstitutional, it was unconstitutional for Congress to delegate its lawmaking power to the executive branch; and the Supreme Court aptly knocked down that line-item veto law.

So what we have come up with in place of it is the ability for the executive, the President of the United

States, when he receives these big spending bills, to pull out pieces of spending, pork barrel spending and through an expedited procedure send those pieces of spending, those pork barrel projects back to Congress for an up-or-down vote on each of these procedures, each of these pork barrel projects. We have a procedure here where the President can make sure that he gets that vote. We cannot stonewall, we cannot filibuster it; we have to have a vote on this wasteful spending that the President can take out of these bills and send back to the Congress so we have another up-or-down vote to make sure that we have another chance, a redundant system to go after this wasteful spending. It accomplishes the same thing that a line-item veto does, but it retains the constitutional authority of the lawmaking body and the legislative branch that the Constitution and the Supreme Court calls for.

Mr. KIRK. Madam Speaker, this is the same way that we now close military bases, which was so difficult before.

We also talked about how, in the budget presentation to us, that the executive branch, the budgeteers, automatically include an inflation adjustment, so that we do not actually see clearly some of the increases that are in the budget.

Mr. RYAN of Wisconsin. That is correct. And that is why some of the other forms that we are calling for, which is automatically, they just assume that we are going to keep raising spending. One of the things we see around here is a lot of Members of Congress come to the floor and say we are cutting spending on programs, when actually what is occurring, if at all, is reducing the rate of growth of programs. What we believe is we should go back to zero-based budgeting, and we can go back to not baseline budgeting, but a zero-based budgeting whereby a dollar extra for a program the next year is an increase in spending. We do not want to have a baseline that constantly inflates and puts spending on auto pilot for all parts of our government. We want to make sure that we are more frugal with our constituents' dollars and that an extra dollar in an extra year is an extra dollar of spending, not a reduction in spending.

□ 2115

Mr. KIRK. We have that to make sure that we show that what you got last year is higher than what you have got the previous year. This year is higher than what you got last year.

But we have a number of other problems in presenting the financial condition of the budgets. And that is that, as yet, we do not have a good picture of the full debts and liabilities of the Federal Government.

Mr. RYAN of Wisconsin. One of the other things that we do not account for here in the accrual accounting is the costs of the pension that the Federal

Government owes to its employees and many of the other Federal Government's liabilities. If the accountants of the Federal Government had to subscribe to the laws that we have placed upon the private sector, we would make the accountants at Enron look like saints. We would not be able to adhere to the common private sector accounting principles that are employed in the marketplace today.

What we wanted to accomplish is a full, clear accounting for all of the Federal Government's debts and liabilities. And that is another thing because if you take a look at the way the Federal budget is displayed and presented to Congress, it does not fully reflect all of the Federal Government's debts and liabilities. That is misleading. We need a clear and accurate picture of truly what taxpayers are on the hook for, not a rosy scenario, not a disguised scenario, not one that makes the situation look better than it actually is.

Mr. KIRK. We have that.

We also are talking about changing the rules of Congress. There are some rules of the Congress that are never waived. Any Member can raise a point of personal privilege, and that has never been touched. But there are other rules of the Congress that are routinely waived. We make changes to affect the budget.

Mr. RYAN of Wisconsin. That is right. One of the problems we have in this particular body, in the House Chamber, unlike the other body, is all the budget points of order that seek to protect our budget, to enforce our budget, are easily waived before they even get to the floor.

We have a Committee on Rules that sets the parameters of debate, the rules for the kinds of amendments that will be considered here. And the Committee on Rules, they can waive budget points of order. Therefore, if the Budget Enforcement Act of 1974 has a number in it that we miss and hit, and we break our budget, we are supposed to be able to have a point of order that defeats legislation coming to the floor that breaks our budget.

All it takes is a Committee on Rules to waive that point of order before it even gets to the floor and we pass a rule with a majority vote without even having to vote on whether or not we are going to break that point of order.

So the rules are so easily circumvented here on the floor that what we are doing is, we are making sure that these points of order are still maintained as points that Members individually can bring up. They cannot be waived in the Committee on Rules. They take a two-thirds vote. This is our preference in our particular legislation in order to waive these budget points of order.

Members of Congress need to be empowered with the rules so that they can raise the awareness that we are breaking our budget and they can force a vote to make sure we conform with the

budget, and it takes two-thirds to break that.

Mr. KIRK. Now, we are talking about a basic principle that should be obvious to everyone. The rules should be the rules. But we have embodied these ideas in a number of pieces of legislation.

I wonder if the gentleman could talk about his bill that has come out.

Mr. RYAN of Wisconsin. Yes, I would like to ask the gentleman a few questions about his bill as well.

I thank the gentleman for the mike. He has given me a lot of time to talk about ours.

Our bill is what we call The Family Budget Protection Act. Number one, our bill does change the rules of the House so that you cannot waive these budget points of order, meaning you cannot just break the spending caps and not even have a vote on whether we did that or not on the floor of Congress.

First, we make a binding budget so it is signed into law by the President.

Second, if Congress is going to break the budget, it takes a two-thirds vote in order to break that budget. If we do not vote that two-thirds, then we have an obligation to reduce spending to bring it back into conformity with the budget. If we do not do that, an across-the-board spending cut comes into play.

But also the games that are played in the appropriations process, putting nongermane spending items in the bills where they should not be, we tighten up what we call the germaneness standards so we cannot put those kinds of things in appropriations bills.

It is important that we are honest with the American people in how we spend their money. It is important that we make sure we set a budget and stick to it. And it is also important that we have a budget process that is at least neutral toward higher taxes and higher spending.

The 30-year anniversary of the 1974 Budget Act paints one very clear picture, and that is the rules that run the budgeting in Congress are clearly biased toward higher taxing and higher spending. And they tie both hands behind your back if your goal is to bring sense to the budget system, bring fiscal discipline and hold the line on taxes.

What we are seeking to achieve in our legislation is simply to make the rules at least neutral toward taxing and spending, not biased for higher taxing and spending. And that is something that we all have to work together on.

What I am very encouraged about year, and this is my sixth year in Congress; I have been working on this ever since I got here. What I am especially encouraged about is the new coalition that we have been able to form.

The gentleman from Illinois (Mr. KIRK) has been a leader in this new coalition to fix this budget process, and only by linking arms and building a team can we get these kinds of things

passed. So I would like for the gentleman to tell me some of his ideas about what he hopes to achieve in this budget process, which are all part of the broader principles that we signed on to and how exactly does the gentleman's bill work.

Mr. KIRK. I want to applaud the gentleman for his bill, which is now approaching 80 cosponsors. The companion legislation that I have introduced has 17. So we are now on our way to almost half of Republican Conference supporting comprehensive budget reform.

These reforms have been agreed to by dozens of Members on our side of the aisle and some Democrats because it is essential that this be a bipartisan reform effort to make sure that the rules really are the rules, to remove the spending bias in the Federal Government, so that we can get ahold of the spending picture and present it clearly to the American people; and to also make sure that we can root out some traditional, ages-long pork barrel spending included by the Congress, which a few powerful Members can support, but the body as a whole would never support, for example, a rain forest in Iowa City.

For us, it is important that we not only put forward these reform principles, but we put them in a broad principle, across party lines, and make sure that in the coming days we have not only passed a budget, but we pass legislation which allows easy enforcement of the budget. The budget should not be difficult to enforce. It should be very easy to enforce by a group of dedicated Members, fiscal conservatives who are watching the long-term bottom line of the U.S. Government.

Mr. RYAN of Wisconsin. That is right. I applaud that.

One of the things that we have to keep in mind is that the demographics of America are changing. And as the baby boomers begin to retire, we have to take into account the fact that we have 40 million retirees today; when the boomers are fully retired, we will have 80 million retirees. And so many of our programs are geared towards senior citizens, namely, Social Security and Medicare, Medicaid as well. So we have a tremendous fiscal pressure staring us in the face.

In order to prepare for those moments, not only do we need to reform these programs so we can improve them and make sure they are solvent, but we have to be able to pass a budget that we can stick to and enforce to get us to that solvency date, to make these programs viable for the baby boomers and for our generation, the generation afterwards.

Mr. KIRK. I thank the gentleman for participating in this.

First, I think this is critical that we not only vote on a good budget this week, but that we bring up our legislation for budget reform in the coming weeks.

Mr. RYAN of Wisconsin. That is right. I also think it is very important

to recognize that a lot of Members have worked on this issue. It is one thing to pass a budget under the current rules and talk about the great accomplishments we have in it; they are good accomplishments.

We are bringing a good budget resolution to the floor tomorrow, freezing domestic spending, getting to a balanced budget even faster than the President proposed, and he gave us a lean budget, making sure that we are not going to have huge tax increases hitting the American family just as the economic recovery is under way.

But the point of all this is, the current budget system, it is so easy to circumvent these budget rules, to circumvent the budget. So even though we are bringing what we think is a pretty good budget to the floor, actually a very good budget to the floor this week, we can easily circumvent it next month.

That is why we need to have a budget process that is honest, that has integrity, that is clear, that is transparent, that is honest with the American people, that has honest accounting, that makes sure that you cannot have these bills that we get a day before we vote on them, that are this thick, and have so many little programs tucked into them that are pork barrel projects that raise the total of spending for the Federal Government, but waste a lot of money and also have nothing to do with the issue at hand that we are trying to legislate on.

Mr. KIRK. I thank the gentleman very much.

This government, our government, has the prime duty given by the Founding Fathers to provide for our common defense. If we fail in that duty, we fail all other duties inherited by a free people. And I think that is the essential point that I want to make here. This is about honoring the promises that we have already made.

Mr. RYAN of Wisconsin. One of the things, and I notice that there are some gentlemen coming in that I want to recognize when they all get in the room, that are in the gallery, that I think is very fitting for the House to recognize, but before I get to that, because I see some of them are still coming in, I think it is very important for them to recognize, and for those who are listening to this debate, we do not have the tools that we need to cut wasteful spending in Congress.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore (Ms. GINNY BROWN-WAITE of Florida). The Chair would remind the gentleman that references are not to be made to visitors in the gallery.

Mr. RYAN of Wisconsin. I apologize, Madam Chair. I simply wanted to recognize the fact that we have a group of Special Operations Forces in the gallery that just came back from Iraq. And I simply want to say to those, and I realize we have rules, that we are very proud of what you have done for our country, and we want to salute you

for your sacrifice to our Nation and to thank you for making us a safer and more secure world and country. Thank you for what you have done for us.

Will I be admonished for that?

Thank you, Madam Chair, for your indulgence.

I simply want to conclude by saying, I thank the gentleman for his leadership in this because he has been one of the linchpin people in Congress to bring together this coalition. You cannot have a handful of fiscal conservatives to try to change rules that have not been changed for 30 years. It takes a lot of people from a broad coalition to do this. There are a lot of people who have been in Congress for decades, longer than the gentleman and I have been living in some cases.

A lot of people like the way things are done today. They like the current rules. It makes it easier to filter power through your committee, to filter power through this institution. But these rules have really accomplished one thing. The budgets we set for the Federal Government every year we pass a budget resolution are very easily and very quickly circumvented. They do not stick. They do not count, and they do not work.

If we can fix our budget process, bring common sense back to it, real legal enforcement measures so that the budget is easy to enforce, we can accomplish these goals of not only balancing the budget, making sure huge tax increases do not hit the American people, but prepare our entitlement programs for that baby boom retirement without having to resort to deep benefit cuts or huge tax increases.

We have to avoid the kind of malaise and troubles that other countries like those in Europe have fallen into where they have to keep taxing and taxing and taxing their people with payroll taxes and business taxes and value added taxes, and they have chronic unemployment of 9 to 12 percent.

We do not want to go down that road. We have to prepare to make sure we do not go down that road as these demographics confront us with the retirement of the baby boomers. If we are going to confront that, if we are going to pass legislation to do that, we have to budget for it. And we have to have a budget that is enforceable. The current rules make that nearly impossible. That is why you have this great coalition in Congress that is serious about doing this this year to enforce these rules.

I want to thank the gentleman from Illinois (Mr. KIRK) for his leadership in bringing a whole host of Members of Congress to the table to take this issue seriously. I look forward to working with my colleague from Illinois to working on this as soon as this budget resolution is done, to move a bill through the Committee on the Budget, and to get it to the House floor and to fight those interests who like the status quo.

I think we can prevail. I know we can prevail and I sure hope we do. And it is

only with this kind of coalition that the gentleman has helped assemble that will give us a chance of prevailing.

Mr. KIRK. I want to thank the gentleman from Wisconsin (Mr. RYAN). Our districts abut and it does prove that there is some common wisdom that comes from America's heartland.

Mr. RYAN of Wisconsin. That is right.

Mr. KIRK. As our special operators/warriors will no doubt note, our government has the primary duty given by the Founding Fathers to provide for our common defense; but if we fail, then all of our other duties are failed.

In the last century, we, Republicans and Democrats, Americans, added a second mission to our Federal Government. And that was to provide for the retirement security of Americans who worked hard and became members of what we now call "The Greatest Generation" that saved the world from fascism.

□ 2130

These commitments to protect our families and older Americans call on most of the resources of the Federal Government. If we cannot afford to meet those commitments, we fail the most fundamental bond between Americans and their government. These commitments are on such a massive scale and duration that it calls on us all to be fiscal conservatives. We know that the Federal Government cannot do everything, but it can and must meet the duties of national and retirement security wealth.

In our history, we have not built a perfect record of balanced budgets. This chart shows some of the history, and you see for a lot of our history we have not had a balanced budget, deep deficits obviously during World War II and parts of the Cold War.

Most of our deficits early in our history dealt with whether the country was at war or at peace, but the deficits of later years have something entirely different at fault.

In the 19th century, this Congress faced entirely the opposite problem. We had a high tariff against foreign goods, and that hurt our economy, but built up a massive Federal surplus. In the 20th century, we built up massive debts, but they were largely to fight and win the world wars. Our debts consumed a fifth of the Nation's income, but I think they were absolutely necessary to secure victories in 1918 and 1945.

The Korean War, the mounting cost of the Cold War and the Vietnam War did push the Federal Government into the red. These costs were staggering and seemed never ending until the Cold War was ended on America's terms in 1991.

Our national security duties faded, but only briefly until forced by other challenges in Kuwait and Haiti and Bosnia and Kosovo. But these challenges hid a growing structural change in the way our government spent the taxpayers' funds.

Imagine a rain barrel. Water inside represents Federal tax dollars. A pipe above the rain barrel brings in more water, Federal tax receipts. If we raise taxes, the pipe gets bigger and more water goes into the barrel. If we cut taxes, we narrow that pipe.

Around this mythical barrel are 13 ladles. These ladles represent the 13 regular appropriations bills. These bills are used to fund the traditional part of the Federal Government. Each part of our government from the FBI to the FAA to the FDA is supplied out of these 13 bills.

For most of our government's history, these 13 bills, represented by the 13 ladles around our barrel, were how we funded Washington; but in the 20th century, we invented entitlement programs, programs making beneficiaries entitled to Federal spending, for example, Americans over 65 entitled to health care under Medicare.

The best way to think about these entitlement programs is to imagine they are holes drilled in the bottom of the barrel. Expand an entitlement program, as we did giving a prescription drug benefit to Medicare, and you widen the hole in the bottom of the barrel.

The analogy of our rain barrel with holes drilled in its side leads us to a clear picture of what is happening to the Federal budget. We are spending more money through automatic spending of entitlements than we are through the regular appropriations bills, the ladles I talked about. We are spending a lot more through entitlements.

Our budget this year will total \$2.5 trillion. Only \$820 billion, roughly one-third of the budget, will be spent under the regular appropriations bills of the Congress. Two-thirds of our budget will be spent in automatic spending through entitlement programs. Our entitlement programs increase their spending even when we do not improve benefits. That is because the number of people entitled to these programs is rising.

Today, roughly 35 million Americans have most of their health care paid by Medicare, but America's baby boomers are aging, and since the first baby boomer was born in 1946, they become eligible for Social Security and Medicare in just 5 years. The number of people eligible will rise from 35 million to over 70 million. This increase in beneficiaries puts an enormous strain on our budget.

Americans should know that our government uses different accounting rules than a private company. If a company promises a pension to one of its employees, it must show the cost of that promise for the entire life of the retiree on the company's books. But that is not how the Federal Government works. We only calculate the cost of our pension promises for the next year, and we estimate the cost of our promises over 5 years.

This method of government accounting leaves much of our financial posi-

tion in the dark, where Americans cannot learn what is being done on our behalf. If you were an accountant for the Federal Government and you accounted for our finances the way any family-owned business in America does, then it would show that our government is \$30 trillion in the red.

Many politicians, like one of those that just spoke on the floor this evening, talked about the surplus of the 1990s. The surplus existed only on paper. It did not stand up to analysis. Every dollar of the so-called 1990 surplus and more was needed to honor the promises that have already been made by our government.

So where do we go from here? First, we begin where I began by looking at the two basic commitments of our Federal Government, that we provide for the national defense and we provide for retirement security. National defense in time of terror is not cheap. Our victory in Afghanistan was won by a sea-borne Army against a country with no coastline. Such victories are possible, but not inexpensive.

In the post-September 11 world, we could not guarantee that every terrorist in the United States had been caught, and therefore, we were forced to defend the homeland at great cost. For example, an airport screening machine costs \$2 million and O'Hare Airport needed 50, requiring \$100 million to secure just one of the Nation's 4,000 airports.

Like our grandmothers and -fathers of World War II, we had to protect our families, even with borrowed money. That was necessary in the edgy days after September 11, but now it is time to return to a bottom line so that we can ensure that our capacity for honoring those most basic commitments can be met. This House must review a budget to meet our most important obligations while returning our finances to balance.

The Congress will consider several budgets this week, from both sides of the political aisle. I have my preferences, but we stand here tonight to make a more basic point, above partisan rhetoric in a presidential year.

Process matters as much as policy. We have a choice between adopting a budget and not. If we do not adopt a budget, the record of the Congress is clear that we will spend much more than otherwise. Our history shows that we spend less with a budget plan than without. Ironically, any budget plan is more fiscally responsible than no budget plan. This sets a bipartisan imperative that, in the end, the common good is served when we come together on a revenue and spending budget plan.

My second point on process is even more obvious. We must not only adopt a budget, we must enforce it. Far too often, Congress has made tough decisions on a budget and then waived its restrictions in end-of-year legislation or additional supplemental appropriations bills.

This week, Congress will debate a budget and will debate all sorts of spe-

cific numbers on defense and veterans and the Environmental Protection Agency and the like, but once we adopt a budget, we must make a change. We must make sure that we add tools to both the executive and legislative branches to make it easier to enforce the budget we have already passed.

Here in Congress, we have subdivisions between Democrats and Republicans; and Democrats are further subdivided into liberal progressives, main line and conservative Blue Dog factions. Republicans are also divided between conservative study group Republicans and moderate Main Street Republicans. I am a member of the moderate Main Street Republican group, and the problem of balancing our budget is so important that we have not let divisions divide our rank and file.

Republican moderates and conservatives joined together to talk about and put forward 12 consensus principles to reduce spending. These principles were drafted into legislation.

One bill, H.R. 3925, was authored by myself, cosponsored by 17 of my colleagues. My learned colleague from Wisconsin (Mr. RYAN) authored the other major piece of legislation on this with 80 cosponsors.

We set forth some basic principles: that budgets should be enforceable in law; that if we are estimated to miss our targets, then we should have automatic spending reductions to reassure taxpayers and markets that what our budget said it would do it will actually do. We should not put in superfluous numbers that are ignored by the political process, but numbers that count, and those are a number for the Committee on Appropriations, a number for entitlement programs and especially that rainy day fund number.

We know that this country will go through hurricanes and floods and fires. We even know some of the national security challenges we will face. We need to plan for that now so that we can control our budget.

Our budgets presented to us now under the old pro-spending rules automatically include an inflation adjustment that hides spending increases. We need to show the American people exactly how much we spent last year and how much we are going to spend next year without any inflation adjustments. We need to also block spending outside the budget, with pay-as-you-go rules, to make sure that anyone proposing a program which costs more is forced to actually have a way of actually cutting another program to pay for their increase.

We must make sure that we cut pork barrel spending programs by learning the lessons from the Supreme Court and from the military base closing legislation to allow the President to send up a list of rescissions that can be presented for a clean up-or-down vote in the people's House to make sure that we can knock out pork barrel spending included in large bills by powerful Members of Congress.

We need to show the government's full debts and liabilities to make sure the American people know that right now we stand \$31 trillion in debt and we cannot afford to add any more new programs or new spending. We must clearly show the debt owed to our public, and most importantly, for the rules of the Congress, they need to be the actual rules that cannot be waived.

I am very happy to be joined here not just by my colleague from Wisconsin, but also my colleague from New Jersey (Mr. GARRETT) who has led on this and helped us come to a broad-based conclusion on how we fund bipartisan reform to make sure that when we pass a budget we actually stick to it.

First, I yield to my colleague from Wisconsin (Mr. RYAN).

Mr. RYAN of Wisconsin. Madam Speaker, I only wanted to say that we have now added some Members from the other side of the aisle to our legislation so they have become true pieces of bipartisanship. That is the right step in the right direction. That is the critical ingredient we need to get critical mass to pass these things.

But I also wanted to recognize our colleague from New Jersey (Mr. GARRETT) as well, who is also a very, very strident Member in making sure that we live within our means, a good fiscal conservative. I wanted to ask the gentleman from New Jersey if there are any comments he would like to make on this subject.

Mr. GARRETT of New Jersey. Madam Speaker, will the gentleman yield?

Mr. KIRK. I yield to the gentleman from New Jersey.

Mr. GARRETT of New Jersey. Madam Speaker, I rise today to discuss and join the discussion on a matter that I think should be of grave concern to every American taxpayer, every American worker, every American that relies on an essential Federal program that they look to on a daily basis and any American that basically looks to our Federal Government to provide for our safety and security, and that is, I join with my colleagues in discussing this issue of fiscal responsibility on the Federal level. It is one that you and I agree is long overdue, as Washington begins to put its house in order, and that we need to do it obviously in the sense that if we want to continue to provide those essential services back to our districts, those services that people have a right to under the Constitution and look to the Federal Government for, we have to put those processes in place.

So, Madam Speaker, I appreciate the chance to join with my good friend from Illinois (Mr. KIRK), and thank him for all the work he has done on this issue in the past, basically, this evening to bring to the American public's attention the issue of fiscal responsibility and process to the system.

□ 2145

Madam Speaker, it has been discussed already here and in the past

that we are looking at a \$521 billion budget deficit right now, meaning we are sending out \$521 billion more than we are taking in at the end of the day. I stand up here as a freshman, and \$521 billion is an awful lot of money to me. I come from the good State of New Jersey, where when I go back and talk to businesses there, they obviously would never be able to operate their business on a basis like we do in Washington.

Even in our State government, where I had the honor of serving for the last 12 years, we did not have the opportunity to operate in the manner that Congress has over the years. We had to do the fiscally responsible thing, and that is to end up at the end of the year with a balanced budget.

I have the privilege and honor of being on the Committee on the Budget, and we just went through 2 days of hearing, and this past week we passed through the budget that we will soon be considering in this House. We discussed the issue of fiscal responsibility during the course of that markup. But I think it is interesting to know that during the debate and during that time we got that bill out of committee, the Members on the other side of the aisle, still understanding where we stand with regard to the budget deficits, still proposed spending and sending out \$28 billion more than we see in the budget that will be coming before us.

I do not know whether those tactics were simply playing politics or whether the other side of the aisle honestly does not care about spending more than we are taking in, but I think it sets a bad example either way.

Mr. KIRK. Madam Speaker, if I understand correctly, the gentleman is saying that minority members of the committee offered amendments that would have cost the taxpayers an extra \$28 billion, which the Republicans defeated?

Mr. GARRETT of New Jersey. Exactly. Each and every one of those amendments came up, and Members on the other side of the aisle made their best case as to why we should be spending more money than we are taking in. Fortunately, members on this side of the aisle said it would not be fiscally responsible to do those programs and at the end of the day not have money available to provide the essentials.

Mr. RYAN of Wisconsin. Madam Speaker, could the gentleman share with us what the budget that was passed out does with respect to the deficit over the next 5 years?

Mr. GARRETT of New Jersey. It cuts that deficit in half, which goes in the correct direction. That is to say what we talked about, the area of trying to get to a balanced budget some day, we have to do it by reining in spending, and this goes to doing that not by raising taxes.

Mr. RYAN of Wisconsin. And that was done without raising taxes?

Mr. GARRETT of New Jersey. Exactly. That is an important point we need to get to as well. At the end of the

day, we want to grow the economy. One of the points that I think I have learned here and in State government, when you cut taxes, you return those dollars from Washington back to the family budget. Families have the ability to spend more; consumer confidence goes up. They spend more locally, businesses are able to expand, jobs are created; and at the end of the day, not only do you expand the economy, but by putting more people back to work and expanding the economy, you reduce the amount of the reliance on the Federal Government, and so you reduce the amount of money that we have to spend. So eventually you will be able to reduce taxes even further.

Mr. RYAN of Wisconsin. There is more money coming into the Federal Government because more people are working and paying taxes.

Mr. KIRK. Madam Speaker, some tough choices were made. The overall budget, outside of the Department of Defense, froze Federal spending. Some will say that is a cut, but actually the same level of financing was provided that we did last year as a part of fiscal discipline.

Mr. GARRETT of New Jersey. Actually we are doing a level funding plan. If a program had this much money this year, we are going to keep it level going into the future.

Mr. KIRK. Is that a cut?

Mr. GARRETT of New Jersey. That is absolutely not a cut. A cut is when you are spending this much this year, and next year you go down to here. That is a cut. If we keep it level, I do not know how anyone can call that a cut.

Mr. KIRK. Madam Speaker, I think it is important to look at this budget plan coming up, and people may differ with the details of the budget, but my understanding is this budget cuts the deficit as a percentage of GNP by half. We may want a more aggressive action by the Committee on the Budget; but in a time of national security crisis with so many Americans in uniform still on the field, we have some pressing national security needs that we need to make sure that we meet our obligations to Americans in uniform. So this budget sends us in the right direction, but we only meet that right direction if we actually enforce the budget that we put in place.

The series of reforms that we put in in H.R. 3925, or other pieces of legislation, reform legislation, I think are essential to make sure that we assure markets and taxpayers that we actually mean what we say, that we hit our targets that we have told everybody in the budget resolution that we are going to do, and so that people take the word of Congress very directly.

I wanted to thank the gentleman from Wisconsin (Mr. RYAN) and the gentleman from New Jersey (Mr. GARRETT) for joining me. This will be a very hot debate in Congress with regard to the specifics of the budget; but the debate is not over, and we have not completed our full mission until we

have actually also passed reforms to make sure that it is much easier and not harder to enforce the budget which has actually been adopted by the Congress.

IRAQ WATCH

The SPEAKER pro tempore (Ms. GINNY BROWN-WAITE of Florida). Under the Speaker's announced policy of January 7, 2003, the gentleman from Massachusetts (Mr. DELAHUNT) is recognized for 60 minutes.

Mr. DELAHUNT. Madam Speaker, I applaud the gentleman from Illinois (Mr. KIRK) for spending an hour, although I do not quite agree with some of the facts that the gentleman stated.

Mr. KIRK. Madam Speaker, if the gentleman would yield, I will say that the gentleman is an absolute leader on human rights around the world, and on that we completely agree.

Mr. DELAHUNT. Madam Speaker, on that I echo the kudo.

I am joined tonight by the gentleman from Washington (Mr. INSLEE). I anticipate that we will be shortly joined by two other colleagues, the gentleman from Hawaii (Mr. ABERCROMBIE) as well as the gentleman from Ohio (Mr. STRICKLAND), for another session that we have labeled as Iraq Watch to discuss issues concerning the Middle East with a particular focus on Iraq, Afghanistan, and the war on terror.

There is much to talk about tonight. I do not think an hour will be sufficient. I also should mention over the course of the past 8 months, and we have been doing this for approximately 8 months now, I know that the gentleman from Washington (Mr. INSLEE) and the other Members involved have received a number of calls, e-mails, correspondence from not just our own constituents but from all over the country. There is one question that is constantly asked, and that is why is the House empty at this hour of the night.

I think we should explain to those viewing this evening that the legislative business of the House of Representatives has been concluded for the day and we are now into a phase that is called Special Orders. Each side of the aisle, Republicans and Democrats, are allocated an hour, actually two hours, to just have a conversation or make a presentation about issues that they have a particular interest in or issues which they feel the American people need more information on. I am sure many who watch C-SPAN note that during the course of the debate on particular proposals, the time is very limited, given the numbers of Members that wish to speak. In fact, the usual course allows for at most a maximum of some 5 minutes for each Member to speak. On those issues that have a particular interest on both sides of the aisle, what occurs is the individual Member who happens to be managing the bill, either Republican or Democrat, is responsible for allocating time

and often rather than 5 minutes, the likelihood is that a Member will only have 2 or 3 minutes to explain his or her perspective on a particular issue.

So this phase is called Special Orders. Earlier there were three of our friends and colleagues from the Republican side who discussed the budget. Prior to their coming to the floor, three or four Democratic Members spoke about the budget and the perspective of Democrats as to the proposal put forth by the Republican Party, and also clearly an alternative that will be presented by the Democrats in terms of the debate on where we go as far as a Nation is concerned, because in many respects the budget does reflect our values. And as Members heard earlier from our colleagues on the Republican side, there is a growing and profound concern about the escalating deficit that has been brought about by the actions of this particular administration and this Republican majority in both the House and the Senate.

I think it is important that the American people remember that the Republican Party controls the House of Representatives, controls the United States Senate, and obviously the current incumbent in the White House is a Republican. So when we speak of deficits, this is a deficit that was engendered by the majority party in this country. I know the Democrats are extremely concerned about the deficit because the interest that is paid on the national debt detracts from other investments that could be made in a wide variety of initiatives such as infrastructure, education, health care, and a long litany of issues that I believe are a priority to the American people.

Madam Speaker, I yield to the gentleman from Washington (Mr. INSLEE).

Mr. INSLEE. Madam Speaker, just to follow up on the comment and the discussion of the deficit, it is not only Democrats who are concerned with the deficit; it is Republicans as well. Last night I was in a town hall meeting attended by about 150 people in Snohomish County, Washington, and I had a fellow stand up who said he was a Republican and was extremely concerned that this government, which he understood was controlled by the Republican Party lock, stock and barrel, was running up these enormous deficit. His basic question was, What is going on? He was flabbergasted to see that happening.

What I had to tell him was the news was actually worse than he had heard. He had heard the number that the Republican government had run up a \$500 billion deficit, and it bothered him. It bothered him even more when I told him the deficit was actually higher than that because the administration and the Congress to some degree have played with some funny numbers that make Enron blush how accounting is done.

One example, I had to tell him the President's budget, which has been for-

warded to the Congress proposing expenditures for next year, omitted any sums for fighting the Iraq war, any sums for fighting the Afghanistan war. You can kind of understand how a government can run up giant deficits, the largest deficits in American history if they play funny games of sending up budgets when we are in the middle of a war spending \$100 billion a year in Iraq, or a little short of that, and then assess zero cost to that.

I just cannot understand, this administration must not think anybody can read in America when they try to play games like that. I can inform the White House that my Democrat and Republican constituents are very aware of this and are very concerned about it.

□ 2200

Let me turn, if I can, to the Iraq issue which we have now been talking about for some months.

The reason we are here is twofold: One, our proud men and women are doing a job in Iraq tonight which all Americans are proud of. Over 500 of them have paid the ultimate sacrifice to the duty to which they pledged honor to our country. Their sacrifice demands that the government of the United States tell the truth to the American people about what happened in Iraq and why this war started, based on false information.

Just to set the stage for our discussion tonight, I would like to point out at least some of that false information that ended up starting this war. I want to be very specific on this so no one can say that we have gilded the lily.

The fact is, sadly, that on March 17, 2003, the President of the United States of America went before the American people and in an address to the Nation said, and I quote, "Intelligence gathered by this and other governments leaves no doubt that the Iraq regime continues to possess and conceal some of the most lethal weapons ever devised." That statement was false and the information gathered over a year of spending over \$100 million of seeking with a fine-toothed comb in Iraq has demonstrated with some conviction that that statement was false, unfortunately.

On August 2, 2002, the Vice President of the United States, DICK CHENEY, went before the Veterans of Foreign Wars and stated, "Simply stated, there is no doubt that Saddam Hussein now has weapons of mass destruction." That statement was false, false both on the issue of the presence of weapons of mass destruction as indicated by Mr. David Kay, who was the person hired by this country to find out, but also false in saying there was no doubt, because a review by this Chamber, by the three of us and others, has showed there was plenty of doubt about this issue in Iraq that was covered up, was suppressed by this administration.

Mr. DELAHUNT. I think it is important to remember that when the Director of the CIA testified recently before