

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

(Mr. CONYERS 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 Michigan (Mr. LEVIN) is recognized for 5 minutes.

(Mr. LEVIN 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 Michigan (Ms. KILPATRICK) is recognized for 5 minutes.

(Ms. KILPATRICK of Michigan 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 gentleman from Washington (Mr. McDERMOTT) is recognized for 5 minutes.

(Mr. McDERMOTT 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 Illinois (Mr. EMANUEL) is recognized for 5 minutes.

(Mr. EMANUEL 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 Maryland (Mr. CUMMINGS) is recognized for 5 minutes.

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

THE FEDERAL BUDGET

The SPEAKER pro tempore. Under the Speaker's announced policy of January 4, 2005, the gentlewoman from Tennessee (Mrs. BLACKBURN) is recognized for 60 minutes as the designee of the majority leader.

Mrs. BLACKBURN. Mr. Speaker, it is budget week here in the U.S. House of Representatives, and sometimes we hear people say, Oh, no, I just dread it when we get around to talking about this budget. And then we will hear others say, I love to just really tackle this budget issue. I love looking at where we spend our money. And I kind of ap-

preciate that attitude because we are the stewards of the taxpayers' money and it is our responsibility to be a good steward and to be diligent in the work we are going to do as we work on this budget and decide what should the priorities of our government be? What should be our concerns? Where should we be looking for ways to achieve a savings?

And over the past several months, actually over the past 3 years, we have come to the floor regularly to talk about waste, fraud, and abuse and find ways and point out ways and to continue to seek ways that we can achieve a savings for the American people.

And from time to time over the past few years, we have talked about lots of different reports. Many different reports from different government agencies, from the General Accounting Office, from some of our friends who are in the media that have pointed out programs that maybe have outlived their usefulness, programs that are wasting money, programs that cannot achieve a clean audit. And some of our colleagues, we have worked on ways that we can go in and investigate and highlight and look at what this drain is on our tax dollars. And we have House committees, certainly the Government Reform Committee, that continue to hold hearings. Oversight and investigations from our Energy and Commerce Committee are certainly looking at ways to achieve a savings and find ways to review how our agencies are spending their money.

We have clear data showing places where the Federal Government is bleeding funds. And the President's budget this year has included more than 100 programs that could and should be targeted, Mr. Speaker. So the target for spending reductions is clearly enormous. We have got 100 programs, 100, that we can look at through so many different agencies and so many different spots in the Federal Government. Now, certainly, out of 100 programs, we are going to be able to find a way to achieve a savings.

One of the interesting things is no matter what part of this country that you are in and no matter whose district that you are in, whether it is a Democrat or a Republican, there is consensus among the American people that we have a problem. Government does not have a revenue problem; government has a spending problem. Government does not have a revenue problem; government has a priority problem. It is time that we begin to fine tune our focus and decide what the priority of government ought to be.

The taxpayers pay far too much of their paycheck in taxes. They are tired of every time somebody comes up with a good idea, they say well let us just go raise the taxes. And, Mr. Speaker, I tell you what, if it were not for the leadership in this House, we would see those taxes going up. If our friends across the aisle had their way, they would be raising taxes, not cutting programs. That

is not where we want to go. We know it is tough to eliminate waste.

I often quote Ronald Reagan, who is pretty close to my favorite President ever, I will have to say that, but one of my favorite remarks he ever made was that when you look at Federal programs, there is nothing so close to eternal life on Earth as a Federal Government program. When you get the thing, it is just the dickens to get rid of it. It is so tough to get rid of it, Mr. Speaker.

Sometimes in my townhall meetings in Tennessee, I will have constituents say, Why is it so tough to get rid of these programs? We see the waste. We know the waste is out there. Everybody knows these programs are wasting money. Why is it so difficult to call them into accountability? Why is it so difficult to get rid of these programs?

And to that, Mr. Speaker, I will have to say if you listen to our colleagues from across the aisle this morning when they gave their 1 minute speeches, then you can see why it is so very difficult for us to downsize this government. Those colleagues across the aisle, Democratic Members, Member after Member, came to the floor this morning, as they do on many days, and they decried our efforts to make reductions in Federal spending.

Mr. Speaker, we spend trillions of dollars to support all sorts of social spending programs; yet any reduction or even holding the line on spending, not increasing anything, just holding the line, all of a sudden it is called a "draconian cut." It is amazing how it works.

Most Americans do not get a massive salary increase every year. But we have colleagues that think if they are not giving every agency an increase every year, then they are getting a cut. It is the most incredible, most incredible, program that you have ever seen. If you do not get an increase, then you are getting a cut.

□ 2015

It does not work that way in real life, only in the bureaucracy. We have to look at this and see that it happens year after year after year.

You know, I don't think that asking the Federal Government to reduce its spending, I don't think asking bureaucrats to be accountable, I don't think asking agencies to be accountable and get clean audits and know where they are spending their money is evil. I don't think it is uncaring. But many of our colleagues across the aisle will come down here and demonize those of us who simply want the spending increases to stop.

I have talked a lot about the Great Society government that was created over 40 years of Democratic control of Congress, and I will have to tell you, yes, indeed, they built an enormous monument, a monument of spending to their party's vision of what government ought to be; a vision in which government solved society's ills and

took care of every problem by spending more money.

Mr. Speaker, you and I know that that vision is a failure. We know it is an absolute failure. You don't solve problems, you don't solve problems, by throwing more money at them. Many times all you do is mask the problem. In the long run, you make it worse, because you are not addressing the causes of the problem.

The moveon.orgs of the world, the Democratic leadership, they don't want to admit this. They want to protect and expand their monumental government, this huge bureaucracy in this town, huge bureaucracy. So many of my constituents get frustrated with it. They want us to break it apart; to send the money, send the power back to our States and back to our local governments. They want to keep their paychecks in their pocket. They don't want the Federal Government to have first right of refusal on it.

They are a little bit confused many times, and understandably so, I think all of us are, of why the Democratic leadership wants to keep, why the liberal leadership wants to keep, a big, big, big bureaucracy in this town. But it is their party's creation. It is their legacy.

I am joined by some colleagues tonight who are going to share some of their thoughts on the great ideas that we can bring to the table to look at how we are spending the Federal Government's money. This party and this leadership is the one that is keeping the attention on spending less and reducing the size of the Federal Government.

Mr. HENSARLING is joining us tonight. He is a member of the Budget Committee, and he has had the Family Budget Protection Act. Mr. HENSARLING is going to open our conversation this evening and talk a little bit about the budget, the work that they have done in the Budget Committee, the process reforms that we are beginning to look at and move forward, and add to the discussion that we are going to have this week as we continue to work on our plan to yield savings for the American people and to reduce the size of the Federal Government.

With that, I yield to the gentleman from Texas.

Mr. HENSARLING. Well, I thank the gentlelady for yielding, and I especially appreciate her leadership in this body on issues of spending, on issues of budget and trying to protect the family budget from the Federal budget. Certainly she is one of the most powerful and articulate Members that we have, helping lead this charge.

Mr. Speaker, it is that time of year again for the United States House of Representatives to consider its budget. To some people, this is about kind of green eyeshade accounting. It is about numbers. Frankly, it is a lot more than that. It is about numbers. But, more important, Mr. Speaker, it is about values.

There are going to be a number of budgets that are going to be introduced by different caucuses, different groups. I myself have written a budget. But at the end of the day, I think, as usual, if history is our guide, this is going to come down to two budgets: The one that was passed by the House Budget Committee, and the Democrat alternative, and this body, and really the American people, are going to be faced with two very different choices that represent fundamentally two very different sets of values.

One budget, our budget, the Budget Committee, the House Republican budget, is going to value the family budget over the Federal budget, because every time somebody grows a Federal program, Mr. Speaker, it takes away from some family program.

Ours will be a budget that values more freedom. Theirs will be a budget that values more government. And we know, as one of our Founding Fathers, Thomas Jefferson, once said, that as government grows, liberty yields.

We want a budget about opportunity that empowers people to go out and use their God-given talents in this wonderful land that we call America, to be able to put food on their table, to put a roof over their head.

Now, many people will say this is the debate about how much we are going to spend on health care and how much are we going to spend on nutrition programs and how much are we going to spend on education programs. To some extent, it is a debate about those subjects.

But the Democrats only value government spending, only government spending. We, Mr. Speaker, value family spending. We want families to do the spending, not government, and we know the difference. So, there will be two very different sets of values that are present presented in this budget debate.

You are going to hear a lot of things in this budget debate. You are going to hear about which budget is the more compassionate of the two. Well, Mr. Speaker, they are going to present essentially a status quo budget, only worse.

Right now, we are facing a fork in the road. If we don't change things, we know that the great entitlement programs of Medicare and Medicaid and Social Security are growing way beyond our ability to pay for them.

The Democrats will present their vision, and they will claim they want to balance the budget, but yet all they want to do is increase spending.

Mr. Speaker, if that is true, if they want to balance the budget, if they want to increase spending, if they refuse to reform any programs, and, Mr. Speaker, we know, we know, we can get better health care, we can get better retirement security at a lower cost. That is a different debate for a different night. If they want to increase government spending, if they refuse any reforms, if they want to bal-

ance the budget, well, Mr. Speaker, the General Accounting Office, the Office of Management and Budget, the Congressional Budget Office, the liberal Brookings Institution, the conservative Heritage Foundation, anybody in America who has looked at this dynamic will tell you that we are on the road to double taxes on the American people if we follow their budget. Double taxes in one generation.

So that is something, Mr. Speaker, as the American people follow this debate, they have to look at quite carefully.

Now, you will also hear a lot about budget cuts. Well, recently I went to Webster's dictionary and looked up the word "cut." It actually means to reduce. That is what it means everywhere in America except Washington, D.C. In Washington, D.C., when we listen to the Democrats, it seems to mean something else. In Washington, D.C., what it means is some program is not growing quite as fast as a big government bureaucrat liberal wants it to grow.

Mr. Speaker, I know you are going to hear a lot about how somehow government spending has been cut over the last few years. Well, don't believe me. Go to the historic tables of the Office of Management and Budget. What you will discover is over the last decade, international affairs has grown by 89.1 percent; science, space and technology spending at the Federal level has grown 49.5 percent; natural resources and environmental spending at the Federal level has grown 43.8 percent; Federal agricultural spending has grown 118.1 percent; Federal transportation spending has grown 83.5 percent. The list goes on and on and on.

Mr. Speaker, over this same time period, guess what? Median family income grew by 33 percent and inflation grew by 25 percent. In other words, government, just over the last decade, just over the last decade, government has been growing far faster than family income.

We are growing the Federal budget way beyond the ability of the family budget to pay for it, and if all we wanted to do was keep government that we had 10 years ago, we would have grown it by inflation. We are growing it at twice the rate of inflation.

So, Mr. Speaker, when we start hearing all these accusations about cuts, we have to remember how America defines that term and how liberal big government Democrats define that term, and those are two very, very different things.

Mr. Speaker, something else you are going to hear as this debate ensues is nowhere in a \$2.8 trillion Federal budget can we find any savings whatsoever for the American people. Well, Mr. Speaker, that is just absurd. Not only is it absurd, we have to find the savings. If we don't find the savings, again, we will either place massive debt on our children or they will be looking at a massive tax increase.

Recently, Mr. Speaker, the Federal Government could not account for \$24.5 billion that it spent just a couple of years ago. It just kind of disappeared into thin air. Federal auditors who are currently examining all Federal programs have reported that 38 percent of them examined have failed to show any positive impact on the populations they serve. Thirty-eight percent are not meeting the stated goals of when Congress published them.

It wasn't that long ago that the Department of Defense wasted \$100 million on unused flight tickets and never bothered to collect the refunds, even though the tickets were refundable. Mr. Speaker, if it is your money or it is my money, my best guess is we are going to go out and get that refund. But, you know, there is a truism, and that is we are never as careful with other people's money as we are with our own.

The Federal Government spends almost \$25 billion annually on what is known as earmarks, pork projects, including the infamous bridge to nowhere, grants to the Rock & Roll Hall of Fame. Hey, I love rock & roll, but, you know what? The last I looked, it was a fairly profitable industry and probably didn't need subsidies from the Federal Government. We had the infamous \$800,000 outhouse, the rain forest in Iowa, and the list goes on and on and on.

In the last year of the Clinton administration, the Department of Housing and Urban Development couldn't account for \$3.3 billion in overpayments. Ten percent of their entire budget just disappeared, 10 percent of their budget. There is no family in America, there is no small business in America, that could just watch 10 percent of their revenues disappear and expect to survive.

We have the Conservation Reserve Program paying farmers \$2 billion annually not to farm their land. We spend over \$60 billion on corporate welfare versus a smaller amount on homeland security.

Mr. Speaker, I could go on all evening, but I have given you this list just to illustrate a handful of items where we could go out and we could find savings.

Again, Mr. Speaker, what is at stake here? What is at stake here is really the kind of America we are going to leave the next generation. Are we going to go with a budget that would take this Nation from \$8 trillion in debt to, who knows, \$11 trillion, \$12 trillion? Or, if we are not going to go the debt route? Are we going to increase taxes on our children, double taxes?

The average American family is paying \$20,000 a year combined in their Federal taxes. That is what we are paying. Are we going to expect our children to pay \$40,000? How are they going to buy a first home or send a kid to college or buy that second car to get that parent to work? Is this the kind of America we want to leave our children?

Mr. Speaker, this is what this debate is all about. You are going to hear a lot about compassion, but, Mr. Speaker, I don't see any compassion in doubling taxes on our children. I see no compassion there whatsoever.

You are going to hear a lot again from the Democrats about how we have to increase this Federal program and that Federal program. I want to remind you, these are the people who voted against any tax relief whatsoever for American families and small businesses.

When we back in 2003 enacted tax relief for small businesses and families, guess what, Mr. Speaker? Five million new jobs were created. Yet the Democrats in their budget, what they want to do is, they believe that somehow paychecks are not about compassion, and yet welfare checks are. The compassion of our society should be defined by how many paychecks we create, how many opportunities there are for men and women to use their God-given talents and to go out and find good productive careers. That is how our budget is going to define compassion.

Their budget is going to define compassion by how much dependency they can create, what kind of labyrinth, what kind of tangled labyrinth of welfare can they make people more dependent upon. We want to empower people. We want to get people off of welfare and on to work so that they can have careers, so they can have opportunities, so they can have freedoms that previously they haven't been able to dream of.

□ 2030

And those are the two different values that are going to be represented in this debate, Mr. Speaker.

Mrs. BLACKBURN. Mr. Speaker, the gentleman from Texas is so right when he talks about the compassion and what is the compassionate thing to do.

Mr. Speaker, in 1994, the Republicans swept in here and took control of this body and have been working ever since to turn this ship around and turn that corner so that we look at how we handled the Federal purse, how we handle the priorities of the Federal Government, how we shift that focus and move it away from saying, let us give government the money, and then task government to go solve all the ills to say, we believe this is government of the people, by the people, and for the people, and we believe the people can solve these problems. They can do it.

We know that most people feel when they see their taxes increase, when they see more of their money going to feed that bureaucracy, they know that their freedom has been cut.

Mr. Speaker, I am joined this evening by Dr. GINGREY, who is a member of the Rules Committee and is going to have a few comments on the budget. Certainly, he is a gentleman who knows of compassion and how we should be working with and for our Federal man.

Mr. Speaker, I yield to the gentleman from Georgia.

Mr. GINGREY. Mr. Speaker, I thank the gentlewoman from Tennessee. It is really an honor to be part of this hour discussion tonight with some of the most fiscally responsible Members of this body. My Republican colleagues on the Republican Study Committee, that you just heard from the gentleman from Texas, you will be hearing from others, the gentleman from New Jersey, the gentleman from North Carolina, the gentlewoman from Ohio. These are Members, Mr. Speaker, that get it. As Mr. HENSARLING just said, this is really not green eye shade stuff; this is about people and values, as he so well pointed out. It is about real needs as distinct from just wanting more, more, more.

Mr. Speaker, my dad told me one time when I was just a teenager, he said, "Somebody asked a very rich person one time, what would it take to make him happy?" And the answer was, "Just a little bit more." That is a problem that we have in trying to satisfy all of the wants and not necessarily just the real needs.

Mr. Speaker, my colleagues here tonight and on this side of the aisle are committed to restoring some fiscal sanity to this place, and I commend Mr. HENSARLING in particular. I have told him in private that he is our modern day William Proxmire of the 109th, and indeed, the 108th Congress as we came in together in regarding to ferreting out waste, fraud, and abuse in this Federal Government. In fact, that was our class project that the gentlewoman from Tennessee and myself and others in the 108th class were determined to do, and that is what we are doing.

Mr. Speaker, we have talked about the other side and what they want to do and their plans. The tax cuts of 2001 and 2003 is an example of what they did not do. They voted no for those tax cuts. They said we cannot do that. That is going to, according to the Congressional Budget Office, when you do this static scoring, we are going to cut taxes, we are going to cut rates for everybody that pay taxes. We are going to lower capital gains, we are going to lower the tax on dividends, which indeed is a double taxation.

We are going to get rid of the marriage tax penalty. We are going to increase child tax credit from \$600 to \$1,000 per child. We are going to finally stomp dead the death tax. As Steve Forbes once said, there should be no taxation without respiration.

We did these things, and the opposition said, well, that is going to cost \$1.3 trillion over 10 years. Mr. Speaker, you know, I know, my colleagues know, I hope the American people know that it did not cost us any money. We gained revenue, something like \$250 billion over 10 years. That is what happened in 1960 under Democratic President Kennedy; it happened in 1980 under my colleague's favorite,

maybe all-time favorite President Reagan. We cut taxes, we raised revenue, and it works. The opposition, they not only oppose that, but they also opposed health care reform, Medicare modernization, Prescription Drug Act. They said that is going to cost \$750 billion over 10 years. But of course, actually, their plan, if we had done what they wanted us to do, would have probably cost \$3 trillion over 10 years.

Mr. Speaker, the fact is, it was only going to cost that money if it did not work. And what we are finding today, as we are getting closer and closer to that deadline of May 15, the 6-month opportunity for seniors to take that option and sign up for prescription drug benefit, we are reaching our goal. We are beyond our goal. Seniors are saying, members of my own family, my mom, my brother, constituents in my district saying, "Thank you, Congressman. We are saving money." I have had people spending \$900 a month who found out they qualified for the low income supplement and now are spending \$27 a month, they are saving \$900 a month.

We wanted to do Social Security reform to give individuals an opportunity to have an individual personal account. What does the other side do? They fight that. They are the party of no, of negative.

But these are the things that this majority and particularly the Members here tonight, Mr. Speaker, are determined to do for the American people: To reform government, to save money, to let people put that money back into the family budget, as Mr. HENSARLING has pushed so hard for.

This budget that we are going to vote on, this 2007 budget is a very fiscally sound, responsible budget. It virtually freezes nondefense discretionary spending at the 2006 level. Again, the other side will say, well, you are taking money away from the school children, you are taking money away from Head Start, you are taking money away from social welfare programs. Not at all, Mr. Speaker. All we are doing is putting a cap on discretionary spending, and then we are saying to the appropriators: You decide where that money needs to be spent. You decide whether cuts really need to be made and whether plus-ups need to be made. And that is the responsible way to do it.

In conclusion I want to say, too, to the chairman of the Budget Committee, the gentleman from Iowa (Mr. NUSSLE) and the great job that he has done and his willingness to include in this 2007 budget a rainy day fund. This is something that all of the Members here tonight who are speaking during this hour have been calling for and for a number of years saying, look, we know every year that we are going to have a hurricane, we are going to have a natural disaster.

It may not be every year, but all of a sudden you go a couple of years and then you have a Katrina. So we need to

fund this based on a 10-year average of how much we spend on a natural disaster and emergency. So this is in the budget, \$4 billion for each of the next 5 years. I think that is absolutely responsible.

In addition to that, we are going to come forward with a line item veto. The President needs it, the Congress wants it, and we are going to get that done. We are also going to have the earmark reforms that Congressman FLAKE has called for shine the light of day on those earmarks, some of which are very good and should be included in the budget; and last but not least, of course, a sunset commission.

Mr. Speaker, as I say, it is an honor. I know we want to hear from our other colleagues on this issue. But I commend the gentlewoman from Tennessee for her continued work on fiscal responsibility and putting together this hour tonight and giving us a chance to weigh in on it.

Mrs. BLACKBURN. I thank the gentleman from Georgia, and I appreciate so much that he calls our attention to some of the issues that are at hand.

Mr. Speaker, for any of our colleagues who are looking for more information on the House budget, they can go to the Web site gop.gov, and pull down the House Budget Resolution fact sheet.

Here is some interesting information on it, and it goes back to what Mr. HENSARLING was talking about on the budget. It is a \$2.7 trillion budget authority. One of the things that is so important in this is when you look at the discretionary, it is a 3.6 percent increase over what we had in fiscal year 2006. We did some interesting things here, and Chairman NUSSLE is to be commended for this. We have a \$50 billion placeholder in here for our war effort cost.

We have money for Katrina or for emergencies such as Katrina. Then we go in and we look at our discretionary spending, a near freeze in nonsecurity discretionary spending. A near freeze. Quite amazing, is not it, when you think about the growth that year after year after year took place. And I would encourage the individuals that are listening to this over TV tonight to call their legislators. Call us. Let us know what we think. We love to hear from you.

We have another Budget Committee member, and leader who is with us tonight, the gentleman from New Jersey (Mr. GARRETT), who is going to have a few things to say, and then we are going to invite some of our other colleagues in.

Mr. GARRETT of New Jersey. Mr. Speaker, I thank the gentlelady for this opportunity. I applaud her for being here not only tonight, but on so many nights when you bring these important issues to the American public. I will be brief, and I just want to go back to one of your very first comments that you made as you began this night's program.

You started out by saying, "I do not know whether people who are listening here tonight are going to be interested on this debate on the budget or whether they are not. Some people are going to be interested, other people are not."

I think the debate that we have here in Congress when it comes down to the Federal budget in reality is absolutely no different than the debate that goes around the kitchen table in the families across America, once, twice, three times a month with regard to the family budget. That is really all we are doing here, is we are just one large family, the American family and the American family budget.

You know, back at home right now, as I say, once or twice a month, people probably sit down as I do with the household checkbook, and you sit there with a stack of bills on the one side and you write out the checks to pay for them, whether it is the electric bill or the gas bill or other utility bills, the rent or the mortgage or other expenses that you have, maybe some more luxurious items, going out to eat or buying videos or other luxuries, a new car or what have you. And, at the end of it, at the end of that evening as you write out that check, you hope that you are able to write out that last check and that there was money in your checking account to pay for all those necessary and extra bills. But if there was not, if at the end of it you look at it and you say, "Gee, there just is not enough money going around this month," what does the American family have to do with their budget? What they have to do is set priorities, set boundaries, set parameters, set a limit as to what they are able to do next month in their budget.

This is nothing different than what the Founding Fathers of this country said. Madison said in Federalist Number 45 that: The powers of the Federal Government are few and limited, but the powers of the States and the people are numerous and indefinite.

For that reason, we come to the Budget Committee and the budget process here in the Federal level realizing that those are limits on us and what we have to do so that we can protect the American family budget.

So I applaud you for doing what needs to be done here, and we can discuss later today and at other times, what are those priorities, and what are those waste, fraud, and abuse, as Mr. HENSARLING has addressed in the past, that we must do to cut out so we put more priorities back into the family budget.

Mrs. BLACKBURN. Mr. Speaker, I thank the gentleman from New Jersey for his thoughts. He is such a thoughtful member of our Republican Conference, and a thoughtful and studious member of the Budget Committee, and the ideas that he brings forth are very important to us, because that is what we bring, ideas. How are we going to work through this process of reducing what the Federal Government spends?

How are we going to work through the process of being certain that Federal agencies are called into accountability for how they spend your money?

□ 2045

This is not the government's money. It is the taxpayers' money, and we need to remember that every single day.

A gentleman who does a great job of reminding us that it is the taxpayers' money is the gentleman from North Carolina (Mr. McHENRY), and at this time I yield to Mr. McHENRY.

Mr. McHENRY. Mr. Speaker, thank you. I certainly appreciate your leadership and support on these budget issue. They are so important to every working family in America and so vital to the debate we are going to have tomorrow and on Friday on the Federal budget here in Washington, D.C.

I also want to commend my colleagues Mr. GINGREY, Mr. GARRETT and Mr. HENSARLING, who I have worked extensively with on budget issues, and I am so happy that Congresswoman SCHMIDT joined us as well.

I think it is important that we let the American people know how we are spending their money and what this debate here in Washington, D.C., on our Federal budget means to average Americans.

The Democrats in the left wing represented here often times in loud ways, but represented here in this body, will scream that Republicans are cutting too much, they are hurting people. They scream, they yell and it is just all about emotion with them, and when you get down to what we are doing as Republicans, as conservatives, as the majority in this House, you see that we are just trying to reform government so it more efficiently provides services for people.

I know the American people would understand, Mr. Speaker, and see that there are programs out there that are no longer fulfilling their purpose or their mission. There are government bureaucrats who are not working as we need them to work. We have useless bureaucracies here in Washington, D.C., that in the name of big government continue to grow and prosper, all the while siphoning off money from every American, every American family.

What we are saying is conservatives have to look at those programs, and if they are not providing a service, if we have empty buildings, that perhaps we need to sell those empty buildings and gain revenue for the Treasury so we do not have to raid the American taxpayers' treasuries and the working families' treasuries.

As conservatives, we understand that this is the American people's money, that it is not, as some in the left would say, the government's money. No, it is the American taxpayers' money, and we need to be diligent on how we spend our tax money, your tax money, my tax money here in Washington, D.C.

I am so happy that we are going to begin this debate because I think the

American people will see the more fiscal party is the Republican Party, and I think they will understand the leadership we are trying to provide to change the direction of the ship of state, and in order to change the direction of a ship, you cannot turn on a dime. We are talking about a \$2.7 trillion budget, so enormous, but if we can just change the direction ever so slightly, it will have an impact over time, and that is what we are trying to begin now, Mr. Speaker.

I want to commend my colleague Congresswoman BLACKBURN from Tennessee for leading this debate, this colloquy here on the floor, and I think she, of everyone here in the House, has been so outspoken in talking about what this means to the taxpayers.

When she goes back to Tennessee, they do not know MARSHA BLACKBURN as the Congresswoman. They know MARSHA BLACKBURN as the leader of fighting taxes in Tennessee, of stopping that income tax that they wanted to put in place in Tennessee just a few years ago, and she is bringing that same leadership here to say, wait a second, let us look at our fiscal house because if we spend recklessly, they are going to tax recklessly, and that means that every American, instead of paying for their children's books, paying for their families, their perhaps retired parents or their children coming up, buying a new car or actually owning a home, that they will have to only pay their tax bill instead of doing those things.

So we need to look at how we spend money because that is directly tied to how we take money from the taxpayers. I appreciate your leadership.

Mrs. BLACKBURN. Mr. Speaker, I thank the gentleman from North Carolina, and as he said, it is so important that we keep the attention on both sides of this ledger, that we hone that focus and just target it, what we are taking in and what we are spending.

When we go back and we look at the 2003 tax cuts, we know that 91 million Americans saw a tax reduction of about \$1,100. That is real money. We also know that when government takes more of that paycheck, that the individuals are not making choices, that the government is making choices, and that is where we see a decrease in our freedom.

The gentleman is so correct. It is the debate of ideas and putting new ideas on the table that is so very important, and we are joined, as you mentioned, by the gentlewoman from Ohio (Mrs. SCHMIDT), who has a few thoughts to offer on the line item veto and some of the ideas that are being offered for our budget process, and I yield to the gentlewoman.

Mrs. SCHMIDT. Mr. Speaker, I thank the gentlewoman from Tennessee. I appreciate the opportunity to talk tonight, Mr. Speaker, about an important tool that would I believe help eliminate wasteful spending.

When I was first elected to Congress last August, I pledged to be a fiscal conservative for the residents of the 2nd District of Ohio. Taking a fiscally disciplined approach to government has always been one of my top priorities as an elected official. I am committed, as my colleagues on this side of the aisle are, to seeking out and supporting common-sense measures that promote fiscal responsibility and curb government spending.

That is why I cosponsored and strongly support the Line Item Veto Act of 2006, which the President recently sent to Congress. The line item veto would be a useful tool designed to reduce the budget deficit, improve accountability and ensure that taxpayer dollars are spent wisely.

Many people are surprised to learn that the President currently has no power to remove wasteful or unnecessary spending in appropriations bills or other pieces of legislation that are presented to him. Oftentimes, provisions are slipped into a larger spending bill that never gets discussed or debated. The result is more spending in the Federal budget.

The Legislative Line Item Veto Act would allow the President the authority to line out unjustified spending items, eliminate new entitlement spending from larger legislation, and return the bill to Congress for consideration. The Congress, us, would then have 10 days to vote on each and every proposed cut.

I am proud to say this is a bipartisan issue. Leaders and Members of the Republican and Democratic side of this aisle, in both the House and the Senate, have supported this approach in the past. They have. In fact, in 1996, the Congress gave the President a line-item veto but the Supreme Court struck down that version of the law in 1998 because the Court felt that the act gave the President too much power to change the text of enacted statutes.

But this Line Item Veto Act does not raise those constitutional issues because the President's rescission proposals must be approved by a majority in Congress and signed into law. So we do have congressional oversight.

Forty-three governments, including my own in Ohio, have the line-item veto to reduce spending, and I believe now is the time to give the President of the United States a similar tool to help control spending in the Federal budget.

The line item veto Act is not about giving the President more power or taking power away from Members of Congress. This legislation is about ensuring that hard-earned taxpayer dollars are spent more wisely, and that is our mission, is it not, to spend the taxpayer dollars more wisely, more efficiently, more prudently.

While I do believe that this legislation will go a long way toward identifying and eliminating waste in government, I caution this body to realize this is not the only solution. This is one of many, and I am committed to

working with my colleagues in Congress on both sides of the aisle to seek out other ways to promote fiscal responsibility and curb spending.

Thank you, and I commend my good colleague from Tennessee for taking on this issue and all the Members that are here.

Mrs. BLACKBURN. Mr. Speaker, I thank the gentlewoman, and it is so true. We are to spend wisely, and this week, as we look at this year's budget, there are some things that you will hear us talking, some themes that will bear themselves out as we talk about this budget this week. As I said, you can go to the Budget Committee Web site, through house.gov or go to gop.gov, our colleagues can, and get more information on the budget.

We are going to talk about strength and how we look at strength and security in this budget. We look at defense, homeland security, national security. We are going to talk about spending control, the issue that we have talked about tonight, how we work on waste, fraud and abuse, how we seek that savings and continue to seek that savings for the American people and how we continue to push for reform, so that government avails itself of every possible efficiency, every possible efficiency that is out there to be certain that the taxpayer is receiving the best buy for their dollar.

Mr. Speaker, I yield to the gentleman from New Jersey (Mr. GARRETT).

Mr. GARRETT of New Jersey. Mr. Speaker, I thank the gentlewoman for yielding.

When we talk about the Federal budget, sometimes the numbers are just so large that it goes out of our sphere of understanding, as I was referencing before our conversation with regard to the family budget and the dollars that they spend there, but at the end of the day the issue has really come down to the exact same thing, and that is, are you taking in as much money, income, your paycheck, what have you, through Federal tax revenues as you are paying out at the end of the day? Do you have a balanced budget? Do you have a paycheck?

That is a problem for the American family. This is a problem for the States, as well as the gentlewoman knows I come from the great State of New Jersey, and people from New Jersey know right now our State is having a difficult time with the State budget. Other people are looking in and they realize we are having a difficult time with the State budget. We have a new Governor who is trying to deal with this issue. As a matter of fact, in the State of New Jersey, we are looking at a \$6 billion shortfall in revenue coming in. What that means is that we have less money coming in than is going out at the end of the day for the State treasurer when he writes out his checkbook at the end of each day.

But what the State of New Jersey has to do now, of course, is the same thing as the family budget. That is, they

have to set priorities, boundaries or limits, but so, too, does the Federal Government.

The Federal Government is basically on some of the items that you have already raised. We have to decide what are the priorities of the Federal Government.

I think one major word that you described for almost all of them is security: homeland security, economic security.

In the area of homeland security, if you look at the budget that came out of the Budget Committee that I serve on, we are planning to spend a 3.8 percent increase in homeland security to make sure that Americans at home feel more secure, that our borders are secure, that the Department of Homeland Security and the people that work for them have adequate money in order to get the job done.

Another area, of course, for us in the area of security is defense. We want to make sure that we are able to protect our Nation, protect the freedoms and the liberties that our Fore Fathers have fought and other generations have fought since that time. For that reason, in this budget, we will be seeing a 7 percent increase in defense.

Veterans, of course, is another area that this budget does not skimp on at all, and I think the gentleman from Texas gave some of the numbers before as far as the policy and the goals of this administration and of this Republican Congress to make sure that our veterans are adequately taken care of and protected.

So this budget does continue what this Republican Congress has done in the past. It sets out what the appropriate priorities have got to be for this Congress and for this Nation, and once we establish those priorities, we can establish our spending.

Mrs. BLACKBURN. Mr. Speaker, the gentleman talked about priorities and where the priorities are in this budget. I think that is one of things that our colleagues will want to watch over the next couple of the days because over the past decade, we saw discretionary spending increase by an average of 7 percent each year. What we have done in last year's budget and this budget is to come to a near freeze in nonsecurity discretionary spending.

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And that is so important, because that points to the priorities that you have mentioned and the gentleman from Texas has mentioned and the gentleman from North Carolina has mentioned.

Mr. GARRETT of New Jersey. And if the gentlewoman will yield. After any one, a State or a family or the Federal Government sets its priorities, the second half of the equation then must be what are the items that don't rise to that level of a significant priority? Where are those areas, again as Mr. HENSARLING referred to that we can begin to say maybe we should not be

spending all the money that we have been in the past. And I would humbly suggest a couple that I would at least suggest that may not be the top priorities.

Some of the areas where we could see some savings, for example, the Great Ape Conservation program, the Rhinoceros and Tiger Conservation program, the African Elephant Conservation program. Certain areas and important issues, I am sure, but when you compare them against making sure our veterans have the TRICARE services they need, I would say they pale in comparison.

How about the exchanges with Historic Whaling and Trading Partners program, or the Native Hawaiian Vocational Educational program, or the Native Hawaii Health Care program, for that matter.

Mrs. BLACKBURN. If the gentleman will yield, earlier we talked about our colleagues across the aisle and this morning how they were bemoaning the fact that we were going to freeze spending or reduce spending, or if they weren't going to get everything they wanted, then it is considered a cut. Now that is government speak, as the gentleman from Texas said. That is government speak. It is not really a cut.

But we have to realize that every single time, every single time we start to make reductions in what the Federal Government spends, there are some who try to keep us from doing that. And their answer is always, we need more money. Government can't afford that cut. Government can't afford that tax reduction.

And as you said, it is so important that we differentiate between this.

Mr. MCHENRY. If the gentlewoman will yield, and I thank Congresswoman BLACKBURN.

This is one of the things they always say on the other side, if you cut taxes, you are going to cut revenue to the government. Now, that is absolutely misunderstood. Because as we know, the Bush tax cuts have fueled the economy and government returns, tax returns, the money sent to government because people are working, those things have gone through the roof. And I will yield to the gentleman if he has something to add to that.

Mr. GARRETT of New Jersey. If the gentleman has yielded.

Mr. MCHENRY. Absolutely.

Mr. GARRETT of New Jersey. Normally, the press and the media would say that if you had unemployment under 6 percent that you are doing good. We have seen because of the actions of this Republican Congress in cutting the taxes and returning the money to the family budget, as opposed to keeping it here in Washington for the Federal budget, we now see unemployment in this Nation around 4.7 percent.

Normally, the press and the national media would say if you have growth in the economy of around 2 percent that

you would be doing good. Well, we, of course, know that because of those tax cuts that you referenced just a moment ago, we have seen the growth in the economy of over 3 percent for the last 11 straight quarters. So it is because of this pro-growth economic policy you just set forth that we are seeing the economy grow.

And by having a strong national economy, obviously it is helping the revenue stream on this side and obviously it also affects the family budget.

Mr. MCHENRY. If the gentleman will yield.

Mr. GARRETT of New Jersey. I yield back.

Mr. MCHENRY. This is one of the great discussions of the day. If you cut taxes does government get less in income or taxation? What we have seen through the tax cuts is it is a pro-growth policy. We allow people to keep more of what they earn, therefore they can actually provide for their child. They can go out this time of year and buy shorts and T-shirts and tennis shoes for the kids.

Mrs. BLACKBURN. If the gentleman can yield for just a second.

Mr. MCHENRY. Absolutely.

Mrs. BLACKBURN. I want to yield to the gentleman from Texas, because I think it is important for us to bring the deficit back into this. We are allowing the taxpayer to keep more of their paycheck, and the tax reductions in 2001 and 2003 certainly have done that. The gentleman from Texas can talk for a moment about the deficit and how we are speeding along and reducing that deficit faster than we had originally thought that we were because of the growth in taxes and because of the changes we have made in budgeting.

Mr. HENSARLING. Again, I thank the gentlewoman for yielding. It is a very important point that we are going to have in this debate. Number one, there is no doubt that our colleagues on the other side of the aisle will be talking about tax cuts are bad; we can't have any more tax cuts.

Well, first, Mr. Speaker, nobody is talking today about any more tax cuts. Unfortunately, in this very odd budget process we have in Washington, tax relief is temporary and spending is forever. The only thing we are trying to do, Mr. Speaker, is make sure that the American people don't have a huge automatic tax increase brought about by the Democrats.

They will tell you, my Lord, if we allow the American people, if we allow small businesses to keep more of what they earn, that is going to cost government. Well, number one, Mr. Speaker, it is not the government's money, it is the people's money.

Second of all, we have given tax relief to American families and small businesses. And, guess what? The deficit starts to come down. Revenues are up. Again, don't take my word for it, go to the United States Treasury and here is what they will tell you. We cut

marginal rates in 2003. We helped small businesses. We helped families. We cut tax rates. And guess what? We ended up with more tax revenue. More tax revenue.

Individual tax receipts were up 14.6 percent. Corporate tax receipts were up 47 percent. A huge boon of revenue. That brings the deficit down because people are going out and they are saving and they are working and they are rolling up their sleeves and they are building new businesses. In just this year, in the first few months of this fiscal year, corporate tax receipts are up 29.6 percent. Again, don't take my word for it, go to the U.S. Treasury.

Mr. GARRETT of New Jersey. Will the gentleman yield?

Mr. HENSARLING. I would be glad to yield to my friend from New Jersey.

Mr. GARRETT of New Jersey. Just for a quick point. I don't normally do this, but I would reference you to The New York Times and today's edition, because they verify that too. You can't go by what their headlines say, because their headline is a little misleading. But they did an article in the business section in The New York Times today saying who benefitted from the tax cuts that this Republican-led GOP Congress and this administration passed. And if you get beyond the headlines and you dig down into the weeds, even The New York Times admits that the benefits to them are to the middle class and the lower class, as opposed to the higher incomes, as the other side would argue.

Mrs. BLACKBURN. If the gentlemen will yield. As we wrap up our hour, I want to bring it right back to where we started, talking about the compassionate thing to do is to let the American taxpayer keep their paycheck, be certain that they have first right of refusal on that paycheck and not the Federal Government.

I also want to encourage our constituents to talk to us and our colleagues, to talk to our constituents so that we are certain that everyone understands our goal as the majority party here in this House is to be certain that we preserve individual freedom, that we preserve hope and opportunity, and that we allow the American taxpayer to keep control of their paycheck. And that as stewards of the taxpayers' money, that we are good and accountable stewards.

30-SOMETHING WORKING GROUP

The SPEAKER pro tempore (Mr. FORTENBERRY). Under the Speaker's announced policy of January 4, 2005, the gentleman from Florida (Mr. MEEK) is recognized for 60 minutes as the designee of the minority leader.

Mr. MEEK of Florida. Mr. Speaker, it is an honor to address the House once again. As you know, those of us that are in the 30-something Working Group come to the floor if not nightly, every other day to share not only with the Members but the American people

about what is happening here, what is really happening here under the Capitol dome.

Unfortunately, many times we have to share bad news, but at other times we share very good news, the good news of saying there could possibly be a brighter future. Either one of two ways, Mr. Speaker, either the Republican majority says, hey, we want to work with the Democrats in a bipartisan way on issues such as national security, education, tax reform, issues that we can all rally around, health care for American workers, making sure that American companies wouldn't have to do what they did in Congressman TIM RYAN's district when the third shift showed up for work and they said there will no longer be a third shift. That is a problem, and that is something that we have to work on in a bipartisan way.

Or, Mr. Speaker, the American people can make the decision that they are willing to go with a Democratic House of Representatives and a Democratic Senate to move us in the direction of working together on behalf of all Americans.

First, we have to deal with the issue of incompetence, we have to deal with the issue of corruption, we have to deal with the issue of cronyism in many areas, and we have to deal with the issue of governance. And I think it is very, very important as we outline a number of these issues here tonight and also pepper it with Democratic proposals that we will hopefully be able to turn the tide in many of these areas.

Mr. DELAHUNT, my good friend from Massachusetts, and my good friend from New Jersey, and we are going to have another good friend from Ohio, and a gentlelady from Florida, and we may have some folks from Texas come in tonight, because we said last night, Mr. Speaker, that this is almost not fair. Some would believe that we just make up this information, that happens to be fact. And it is sad that it is fact.

If I was looking at this as some sort of political reason why we come to the floor to share what we believe the situation may be, it would be one thing, but we come to the floor and pull the CONGRESSIONAL RECORD. We come to the floor to talk about a vote that just took place yesterday. We come to the floor with fresh statements from Members of the Republican, former members of the Republican Caucus, and also a past Speaker that gave birth to the Republican majority, making statements to the press of saying, listen, as an American, I have to say something. Not as a Republican. I have to say something. When you are the Speaker, you are the leader.

Mr. DELAHUNT. Mr. MEEK, if the gentleman would yield.

Mr. MEEK of Florida. I would certainly yield.

Mr. DELAHUNT. I think you are talking about Newt Gingrich, who was the father, if you will, of the Gingrich