

(3) these increases in complexity and inequity have made compliance more challenging for the average taxpayer and small business owner, increasing the number of middle income families subject to the alternative minimum tax, and widening the tax gap; and

(4) this concurrent resolution on the budget contemplates a comprehensive review of recent changes in the tax code, leading to future action to reduce the tax burden and compliance burden for middle-income workers and their families in the context of tax reform that makes the Federal tax code simpler and fairer to all taxpayers, and ensures that this generation of Americans does not force future generations to pay our bills.

SEC. 406. SENSE OF THE HOUSE ON HOMELAND SECURITY.

It is the sense of the House that—

(1) this resolution provides additional homeland security funding above the President's requested level and the budget reported by the Committee on the budget of the House for 2007 and every subsequent year;

(2) this resolution provides \$6,100,000,000 above the President's requested level for 2007, and additional amounts in subsequent years, in the four budget functions (Function 400 Transportation; Function 450 Community and Regional Development; Function 550 Health; and Function 750 Administration of Justice) which fund most nondefense homeland security activities; and

(3) the homeland security funding provided in this resolution will help to strengthen the security of our Nation's transportation system, particularly our ports where significant security shortfalls still exist and foreign ports by expanding efforts to identify and scan all high-risk U.S.-bound cargo, equip our first responders, help secure our borders, increase the preparedness of our public health system, and strengthen the Nation's homeland security.

SEC. 407. SENSE OF THE HOUSE REGARDING FUNDING FOR THE MANUFACTURING EXTENSION PARTNERSHIP.

It is the sense of the House that this resolution rejects the President's budget cuts to the Manufacturing Extension Partnership, and ensures sufficient funding to protect the ability of the Manufacturing Extension Partnership to continue helping small manufacturers reach their optimal performance and create jobs.

SEC. 408. SENSE OF THE HOUSE ON REJECTING CUTS TO EDUCATION, HEALTH, AND TRAINING PROGRAMS.

It is the sense of the House that:

(1) Funding for vital education, health, social services, and training programs was cut for 2006, and would be reduced by a total of \$7 billion below the 2005 level by the President's budget request for 2007.

(2) It is imperative that Congress reject cuts to key programs that the President's budget eliminates or cuts. These programs include vocational education, special education, college aid, and title I, which is the cornerstone of the No Child Left Behind Act. They also include medical research, including the National Institutes for Health and the Centers for Disease Control, community services, and job training.

(3) This resolution provides more than \$7 billion above the Senate budget resolution's total for non-defense discretionary funding for 2007 and an even greater amount above the President's budget for 2007, and provides an amount which is sufficient to reject the President's cuts and maintain funding for vital health, social services, education, and job training programs.

SEC. 409. SENSE OF THE HOUSE ON RURAL DEVELOPMENT.

It is the sense of the House that—

(1) rural communities play an important role in the American economy, and the sustained viability of rural America is key to economic stability for many parts of the Nation; and

(2) this resolution supports sufficient funding for agriculture, rural economic development, infrastructure, research, and other priorities for rural communities, and rejects the cuts proposed in the President's budget.

SEC. 410. POLICY.

For fiscal year 2007, major functional category Allowances (920) reserves \$6,450,000,000 in anticipation of emergency spending in response to natural disasters.

The SPEAKER pro tempore. Without objection, the request is agreed to.

There was no objection.

GENERAL LEAVE

Mr. NUSSLE. Mr. Speaker, I ask unanimous consent that all Members have 5 legislative days to revise and extend their remarks and include extraneous material on H. Con. Res. 376.

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

There was no objection.

CONCURRENT RESOLUTION ON THE BUDGET FOR FISCAL YEAR 2007

The SPEAKER pro tempore. Pursuant to House Resolution 817 and rule XVIII, the Chair declares the House in the Committee of the Whole House on the State of the Union for the further consideration of the concurrent resolution, H. Con. Res. 376.

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IN THE COMMITTEE OF THE WHOLE

Accordingly, the House resolved itself into the Committee of the Whole House on the State of the Union for the further consideration of the concurrent resolution (H. Con. Res. 376) establishing the congressional budget for the United States Government for fiscal year 2007 and setting forth appropriate budgetary levels for fiscal years 2008 through 2011, with Mr. SHIMKUS (Acting Chairman) in the chair.

The Clerk read the title of the concurrent resolution.

The Acting CHAIRMAN. When the Committee of the Whole rose on Thursday, April 6, 2006, all time for general debate pursuant to House Resolution 766 had expired.

Pursuant to House Resolution 817, the amendments printed in part A of House Report 109-468 are adopted and the concurrent resolution, as amended, is considered read for amendment under the 5-minute rule.

The text of the concurrent resolution, as amended, is as follows:

H. CON. RES. 376

Resolved by the House of Representatives (the Senate concurring),

SECTION 1. CONCURRENT RESOLUTION ON THE BUDGET FOR FISCAL YEAR 2007.

(a) DECLARATION.—The Congress declares that this is the concurrent resolution on the budget for fiscal year 2007, including appro-

appropriate budgetary levels for fiscal years 2008 through 2011.

(b) TABLE OF CONTENTS.—

Sec. 1. Concurrent resolution on the budget for fiscal year 2007.

TITLE I—RECOMMENDED LEVELS AND AMOUNTS

Sec. 101. Recommended levels and amounts.
Sec. 102. Major functional categories.

TITLE II—RECONCILIATION

Sec. 201. Reconciliation in the House of Representatives.

TITLE III—RESERVE FUNDS

Sec. 301. Reserve fund for the disposal of underutilized Federal real property.

Sec. 302. Reserve fund for Secure Rural Schools and Community Self-Determination Act Reauthorization.

Sec. 303. Reserve fund for calendar year 2007 alternative minimum tax relief.

Sec. 304. Reserve fund for the National Flood Insurance Program to meet outstanding claims for flood damage in the Gulf.

Sec. 305. Reserve fund for the reform of the regulation of government-sponsored enterprises.

TITLE IV—BUDGET ENFORCEMENT

Sec. 401. Restrictions on advance appropriations.

Sec. 402. Overseas contingency operations.

Sec. 403. Exemption of avian bird flu response.

Sec. 404. Application and effect of changes in allocations and aggregates.

Sec. 405. Adjustments to reflect changes in concepts and definitions.

Sec. 406. Compliance with section 13301 of the Budget Enforcement Act of 1990.

Sec. 407. Exercise of rulemaking powers.

Sec. 408. Treatment of allocations in the House.

Sec. 409. Budgetary treatment of the National Flood Insurance Program.

Sec. 410. Adjustments for tax legislation.

TITLE V—EMERGENCY RESERVE FUND

Sec. 501. Nondefense reserve fund for emergencies.

Sec. 502. Emergency criteria.

Sec. 503. Development of guidelines for application of emergency definition.

Sec. 504. Committee notification of emergency legislation.

Sec. 505. Up-to-date tabulations.

TITLE VI—SENSE OF CONGRESS

Sec. 601. Sense of Congress on long-term budgeting.

Sec. 602. Sense of Congress on closing the tax gap to reduce the deficit.

TITLE I—RECOMMENDED LEVELS AND AMOUNTS

SEC. 101. RECOMMENDED LEVELS AND AMOUNTS.

The following budgetary levels are appropriate for each of fiscal years 2007 through 2011:

(1) FEDERAL REVENUES.—For purposes of the enforcement of this resolution:

(A) The recommended levels of Federal revenues are as follows:

Fiscal year 2007: \$1,780,666,000,000.

Fiscal year 2008: \$1,913,598,000,000.

Fiscal year 2009: \$2,011,187,000,000.

Fiscal year 2010: \$2,122,195,000,000.

Fiscal year 2011: \$2,212,263,000,000.

(B) The amounts by which the aggregate levels of Federal revenues should be reduced are as follows:

Fiscal year 2007: \$38,933,000,000.

Fiscal year 2008: \$8,178,000,000.
 Fiscal year 2009: \$20,384,000,000.
 Fiscal year 2010: \$13,782,000,000.
 Fiscal year 2011: \$144,808,000,000.

(2) NEW BUDGET AUTHORITY.—For purposes of the enforcement of this resolution, the appropriate levels of total new budget authority are as follows:

Fiscal year 2007: \$2,283,029,000,000.
 Fiscal year 2008: \$2,332,599,000,000.
 Fiscal year 2009: \$2,426,014,000,000.
 Fiscal year 2010: \$2,526,861,000,000.
 Fiscal year 2011: \$2,649,474,000,000.

(3) BUDGET OUTLAYS.—For purposes of the enforcement of this resolution, the appropriate levels of total budget outlays are as follows:

Fiscal year 2007: \$2,325,998,000,000.
 Fiscal year 2008: \$2,364,794,000,000.
 Fiscal year 2009: \$2,434,610,000,000.
 Fiscal year 2010: \$2,524,168,000,000.
 Fiscal year 2011: \$2,640,119,000,000.

(4) DEFICITS (ON-BUDGET).—For purposes of the enforcement of this resolution, the amounts of the deficits (on-budget) are as follows:

Fiscal year 2007: \$545,332,000,000.
 Fiscal year 2008: \$451,196,000,000.
 Fiscal year 2009: \$423,423,000,000.
 Fiscal year 2010: \$401,973,000,000.
 Fiscal year 2011: \$427,856,000,000.

(5) DEBT SUBJECT TO LIMIT.—Pursuant to section 301(a)(5) of the Congressional Budget Act of 1974, the appropriate levels of the public debt are as follows:

Fiscal year 2007: \$9,182,000,000,000.
 Fiscal year 2008: \$9,744,000,000,000.
 Fiscal year 2009: \$10,275,000,000,000.
 Fiscal year 2010: \$10,781,000,000,000.
 Fiscal year 2011: \$11,307,000,000,000.

(6) DEBT HELD BY THE PUBLIC.—The appropriate levels of debt held by the public are as follows:

Fiscal year 2007: \$5,328,000,000,000.
 Fiscal year 2008: \$5,577,000,000,000.
 Fiscal year 2009: \$5,781,000,000,000.
 Fiscal year 2010: \$5,946,000,000,000.
 Fiscal year 2011: \$6,120,000,000,000.

SEC. 102. MAJOR FUNCTIONAL CATEGORIES.

The Congress determines and declares that the appropriate levels of new budget authority and outlays for fiscal years 2007 through 2011 for each major functional category are:

(1) National Defense (050):

Fiscal year 2007:
 (A) New budget authority, \$512,901,000,000.
 (B) Outlays, \$534,858,000,000.
 Fiscal year 2008:
 (A) New budget authority, \$484,661,000,000.
 (B) Outlays, \$505,516,000,000.
 Fiscal year 2009:
 (A) New budget authority, \$504,753,000,000.
 (B) Outlays, \$505,874,000,000.
 Fiscal year 2010:
 (A) New budget authority, \$514,858,000,000.
 (B) Outlays, \$512,573,000,000.
 Fiscal year 2011:
 (A) New budget authority, \$525,781,000,000.
 (B) Outlays, \$524,894,000,000.

(2) International Affairs (150):

Fiscal year 2007:
 (A) New budget authority, \$31,216,000,000.
 (B) Outlays, \$34,270,000,000.
 Fiscal year 2008:
 (A) New budget authority, \$34,206,000,000.
 (B) Outlays, \$33,410,000,000.
 Fiscal year 2009:
 (A) New budget authority, \$34,178,000,000.
 (B) Outlays, \$33,275,000,000.
 Fiscal year 2010:
 (A) New budget authority, \$33,869,000,000.
 (B) Outlays, \$33,093,000,000.
 Fiscal year 2011:
 (A) New budget authority, \$34,293,000,000.
 (B) Outlays, \$32,717,000,000.

(3) General Science, Space, and Technology (250):

Fiscal year 2007:
 (A) New budget authority, \$25,938,000,000.
 (B) Outlays, \$25,108,000,000.
 Fiscal year 2008:
 (A) New budget authority, \$27,146,000,000.
 (B) Outlays, \$26,083,000,000.

Fiscal year 2009:
 (A) New budget authority, \$28,193,000,000.
 (B) Outlays, \$27,135,000,000.
 Fiscal year 2010:
 (A) New budget authority, \$29,410,000,000.
 (B) Outlays, \$28,263,000,000.

Fiscal year 2011:
 (A) New budget authority, \$30,689,000,000.
 (B) Outlays, \$29,483,000,000.

(4) Energy (270):
 Fiscal year 2007:
 (A) New budget authority, \$2,262,000,000.
 (B) Outlays, \$915,000,000.

Fiscal year 2008:
 (A) New budget authority, \$2,688,000,000.
 (B) Outlays, \$703,000,000.
 Fiscal year 2009:
 (A) New budget authority, \$2,317,000,000.
 (B) Outlays, \$913,000,000.

Fiscal year 2010:
 (A) New budget authority, \$2,190,000,000.
 (B) Outlays, \$867,000,000.
 Fiscal year 2011:
 (A) New budget authority, \$2,094,000,000.
 (B) Outlays, \$711,000,000.

(5) Natural Resources and Environment (300):
 Fiscal year 2007:
 (A) New budget authority, \$29,650,000,000.
 (B) Outlays, \$33,038,000,000.

Fiscal year 2008:
 (A) New budget authority, \$28,833,000,000.
 (B) Outlays, \$30,756,000,000.
 Fiscal year 2009:
 (A) New budget authority, \$29,238,000,000.
 (B) Outlays, \$30,285,000,000.

Fiscal year 2010:
 (A) New budget authority, \$28,687,000,000.
 (B) Outlays, \$29,724,000,000.
 Fiscal year 2011:
 (A) New budget authority, \$28,595,000,000.
 (B) Outlays, \$29,313,000,000.

(6) Agriculture (350):
 Fiscal year 2007:
 (A) New budget authority, \$27,356,000,000.
 (B) Outlays, \$26,782,000,000.

Fiscal year 2008:
 (A) New budget authority, \$25,205,000,000.
 (B) Outlays, \$24,564,000,000.
 Fiscal year 2009:
 (A) New budget authority, \$24,512,000,000.
 (B) Outlays, \$23,829,000,000.

Fiscal year 2010:
 (A) New budget authority, \$23,370,000,000.
 (B) Outlays, \$22,560,000,000.
 Fiscal year 2011:
 (A) New budget authority, \$23,011,000,000.
 (B) Outlays, \$22,281,000,000.

(7) Commerce and Housing Credit (370):
 Fiscal year 2007:
 (A) New budget authority, \$16,518,000,000.
 (B) Outlays, \$8,049,000,000.

Fiscal year 2008:
 (A) New budget authority, \$13,178,000,000.
 (B) Outlays, \$7,997,000,000.
 Fiscal year 2009:
 (A) New budget authority, \$13,278,000,000.
 (B) Outlays, \$7,987,000,000.

Fiscal year 2010:
 (A) New budget authority, \$17,062,000,000.
 (B) Outlays, \$8,857,000,000.
 Fiscal year 2011:
 (A) New budget authority, \$11,866,000,000.
 (B) Outlays, \$5,390,000,000.

(8) Transportation (400):
 Fiscal year 2007:
 (A) New budget authority, \$78,258,000,000.
 (B) Outlays, \$75,774,000,000.

Fiscal year 2008:
 (A) New budget authority, \$81,283,000,000.
 (B) Outlays, \$78,557,000,000.
 Fiscal year 2009:

(A) New budget authority, \$72,878,000,000.
 (B) Outlays, \$78,329,000,000.

Fiscal year 2010:
 (A) New budget authority, \$72,926,000,000.
 (B) Outlays, \$77,828,000,000.
 Fiscal year 2011:
 (A) New budget authority, \$73,477,000,000.
 (B) Outlays, \$77,833,000,000.

(9) Community and Regional Development (450):

Fiscal year 2007:
 (A) New budget authority, \$15,942,000,000.
 (B) Outlays, \$31,345,000,000.
 Fiscal year 2008:
 (A) New budget authority, \$12,917,000,000.
 (B) Outlays, \$25,443,000,000.

Fiscal year 2009:
 (A) New budget authority, \$12,981,000,000.
 (B) Outlays, \$21,661,000,000.
 Fiscal year 2010:
 (A) New budget authority, \$12,988,000,000.
 (B) Outlays, \$17,777,000,000.

Fiscal year 2011:
 (A) New budget authority, \$13,218,000,000.
 (B) Outlays, \$13,680,000,000.

(10) Education, Training, Employment, and Social Services (500):

Fiscal year 2007:
 (A) New budget authority, \$84,849,000,000.
 (B) Outlays, \$87,530,000,000.
 Fiscal year 2008:
 (A) New budget authority, \$84,140,000,000.
 (B) Outlays, \$85,316,000,000.

Fiscal year 2009:
 (A) New budget authority, \$83,989,000,000.
 (B) Outlays, \$83,273,000,000.
 Fiscal year 2010:
 (A) New budget authority, \$83,393,000,000.
 (B) Outlays, \$82,575,000,000.

Fiscal year 2011:
 (A) New budget authority, \$83,343,000,000.
 (B) Outlays, \$82,597,000,000.

(11) Health (550):
 Fiscal year 2007:
 (A) New budget authority, \$273,450,000,000.
 (B) Outlays, \$274,616,000,000.

Fiscal year 2008:
 (A) New budget authority, \$289,867,000,000.
 (B) Outlays, \$291,070,000,000.
 Fiscal year 2009:
 (A) New budget authority, \$310,193,000,000.
 (B) Outlays, \$308,529,000,000.

Fiscal year 2010:
 (A) New budget authority, \$326,949,000,000.
 (B) Outlays, \$326,511,000,000.
 Fiscal year 2011:
 (A) New budget authority, \$348,509,000,000.
 (B) Outlays, \$346,802,000,000.

(12) Medicare (570):
 Fiscal year 2007:
 (A) New budget authority, \$382,803,000,000.
 (B) Outlays, \$388,276,000,000.

Fiscal year 2008:
 (A) New budget authority, \$413,350,000,000.
 (B) Outlays, \$413,417,000,000.
 Fiscal year 2009:
 (A) New budget authority, \$443,331,000,000.
 (B) Outlays, \$443,022,000,000.

Fiscal year 2010:
 (A) New budget authority, \$472,962,000,000.
 (B) Outlays, \$473,238,000,000.
 Fiscal year 2011:
 (A) New budget authority, \$523,267,000,000.
 (B) Outlays, \$523,305,000,000.

(13) Income Security (600):
 Fiscal year 2007:
 (A) New budget authority, \$356,761,000,000.
 (B) Outlays, \$362,086,000,000.

Fiscal year 2008:
 (A) New budget authority, \$371,174,000,000.
 (B) Outlays, \$374,267,000,000.
 Fiscal year 2009:
 (A) New budget authority, \$381,732,000,000.
 (B) Outlays, \$384,278,000,000.

Fiscal year 2010:
 (A) New budget authority, \$391,682,000,000.
 (B) Outlays, \$393,209,000,000.
 Fiscal year 2011:

(A) New budget authority, \$406,687,000,000.
 (B) Outlays, \$406,960,000,000.
 (14) Social Security (650):
 Fiscal year 2007:
 (A) New budget authority, \$16,922,000,000.
 (B) Outlays, \$16,922,000,000.
 Fiscal year 2008:
 (A) New budget authority, \$18,814,000,000.
 (B) Outlays, \$18,814,000,000.
 Fiscal year 2009:
 (A) New budget authority, \$20,694,000,000.
 (B) Outlays, \$20,694,000,000.
 Fiscal year 2010:
 (A) New budget authority, \$22,866,000,000.
 (B) Outlays, \$22,866,000,000.
 Fiscal year 2011:
 (A) New budget authority, \$26,480,000,000.
 (B) Outlays, \$26,480,000,000.
 (15) Veterans Benefits and Services (700):
 Fiscal year 2007:
 (A) New budget authority, \$74,627,000,000.
 (B) Outlays, \$73,944,000,000.
 Fiscal year 2008:
 (A) New budget authority, \$76,925,000,000.
 (B) Outlays, \$77,200,000,000.
 Fiscal year 2009:
 (A) New budget authority, \$77,814,000,000.
 (B) Outlays, \$77,982,000,000.
 Fiscal year 2010:
 (A) New budget authority, \$78,232,000,000.
 (B) Outlays, \$78,264,000,000.
 Fiscal year 2011:
 (A) New budget authority, \$82,398,000,000.
 (B) Outlays, \$82,249,000,000.
 (16) Administration of Justice (750):
 Fiscal year 2007:
 (A) New budget authority, \$42,795,000,000.
 (B) Outlays, \$43,621,000,000.
 Fiscal year 2008:
 (A) New budget authority, \$42,908,000,000.
 (B) Outlays, \$43,578,000,000.
 Fiscal year 2009:
 (A) New budget authority, \$43,454,000,000.
 (B) Outlays, \$43,716,000,000.
 Fiscal year 2010:
 (A) New budget authority, \$43,816,000,000.
 (B) Outlays, \$43,903,000,000.
 Fiscal year 2011:
 (A) New budget authority, \$44,862,000,000.
 (B) Outlays, \$44,492,000,000.
 (17) General Government (800):
 Fiscal year 2007:
 (A) New budget authority, \$18,981,000,000.
 (B) Outlays, \$18,873,000,000.
 Fiscal year 2008:
 (A) New budget authority, \$18,332,000,000.
 (B) Outlays, \$18,318,000,000.
 Fiscal year 2009:
 (A) New budget authority, \$18,365,000,000.
 (B) Outlays, \$18,099,000,000.
 Fiscal year 2010:
 (A) New budget authority, \$18,250,000,000.
 (B) Outlays, \$18,020,000,000.
 Fiscal year 2011:
 (A) New budget authority, \$18,479,000,000.
 (B) Outlays, \$18,213,000,000.
 (18) Net Interest (900):
 Fiscal year 2007:
 (A) New budget authority, \$354,138,000,000.
 (B) Outlays, \$354,138,000,000.
 Fiscal year 2008:
 (A) New budget authority, \$383,621,000,000.
 (B) Outlays, \$383,621,000,000.
 Fiscal year 2009:
 (A) New budget authority, \$405,846,000,000.
 (B) Outlays, \$405,846,000,000.
 Fiscal year 2010:
 (A) New budget authority, \$427,510,000,000.
 (B) Outlays, \$427,510,000,000.
 Fiscal year 2011:
 (A) New budget authority, \$449,248,000,000.
 (B) Outlays, \$449,248,000,000.
 (19) Allowances (920):
 Fiscal year 2007:
 (A) New budget authority, \$6,247,000,000.
 (B) Outlays, \$5,280,000,000.
 Fiscal year 2008:
 (A) New budget authority, \$7,922,000,000.

(B) Outlays, \$5,437,000,000.
 Fiscal year 2009:
 (A) New budget authority, \$7,252,000,000.
 (B) Outlays, \$5,918,000,000.
 Fiscal year 2010:
 (A) New budget authority, \$7,384,000,000.
 (B) Outlays, \$6,882,000,000.
 Fiscal year 2011:
 (A) New budget authority, \$7,539,000,000.
 (B) Outlays, \$7,282,000,000.
 (20) Undistributed Offsetting Receipts (950):
 Fiscal year 2007:
 (A) New budget authority, \$68,585,000,000.
 (B) Outlays, \$69,427,000,000.
 Fiscal year 2008:
 (A) New budget authority, \$68,727,000,000.
 (B) Outlays, \$68,399,000,000.
 Fiscal year 2009:
 (A) New budget authority, \$74,480,000,000.
 (B) Outlays, \$74,199,000,000.
 Fiscal year 2010:
 (A) New budget authority, \$66,775,000,000.
 (B) Outlays, \$66,588,000,000.
 Fiscal year 2011:
 (A) New budget authority, \$69,284,000,000.
 (B) Outlays, \$69,247,000,000.

TITLE II—RECONCILIATION

SEC. 201. RECONCILIATION IN THE HOUSE OF REPRESENTATIVES.

(a) SUBMISSIONS TO PROVIDE FOR THE CONTINUED REFORM OF MANDATORY SPENDING.—
 (1) Not later than June 9, 2006, the House committees named in paragraph (2) shall submit their recommendations to the House Committee on the Budget. After receiving those recommendations, the House Committee on the Budget shall report to the House a reconciliation bill carrying out all such recommendations without any substantive revision.
 (2) INSTRUCTIONS.—

(A) COMMITTEE ON AGRICULTURE.—The House Committee on Agriculture shall report changes in laws within its jurisdiction sufficient to reduce the deficit by \$55,000,000 for the period of fiscal years 2007 through 2011.

(B) COMMITTEE ON ARMED SERVICES.—The House Committee on Armed Services shall report changes in laws within its jurisdiction sufficient to reduce the deficit by \$175,000,000 for the period of fiscal years 2007 through 2011.

(C) COMMITTEE ON EDUCATION AND THE WORKFORCE.—The House Committee on Education and the Workforce shall report changes in laws within its jurisdiction sufficient to reduce the deficit by \$1,323,000,000 for the period of fiscal years 2007 through 2011.

(D) COMMITTEE ON FINANCIAL SERVICES INSTRUCTION TO TRIGGER RELEASE OF FLOOD INSURANCE RESERVE FUND TO COVER ADDITIONAL CLAIMS IN THE GULF REGION.—The House Committee on Financial Services shall report changes in laws within its jurisdiction sufficient to reduce the deficit by \$400,000,000 for the period of fiscal years 2007 through 2011.

(E) COMMITTEE ON INTERNATIONAL RELATIONS.—The House Committee on International Relations shall report changes in laws within its jurisdiction sufficient to reduce the deficit by \$250,000,000 for the period of fiscal years 2007 through 2011.

(F) COMMITTEE ON THE JUDICIARY.—The House Committee on the Judiciary shall report changes in laws within its jurisdiction sufficient to reduce the deficit by \$500,000,000 for the period of fiscal years 2007 through 2011.

(G) COMMITTEE ON TRANSPORTATION AND INFRASTRUCTURE.—The House Committee on Transportation and Infrastructure shall report changes in laws within its jurisdiction sufficient to reduce the deficit by \$50,000,000 for the period of fiscal years 2007 through 2011.

(H) COMMITTEE ON WAYS AND MEANS.—The House Committee on Ways and Means shall report changes in laws within its jurisdiction sufficient to reduce the deficit by \$4,000,000,000 for the period of fiscal years 2007 through 2011.

(b) SUBMISSION OF REVISED ALLOCATIONS.—
 (1) Upon the submission to the Committee on the Budget of the House of a recommendation that has complied with its reconciliation instructions solely by virtue of section 310(c) of the Congressional Budget Act of 1974, the chairman of that committee may file with the House appropriately revised allocations under section 302(a) of such Act and revised functional levels and aggregates.

(2) Upon the submission to the House of a conference report recommending a reconciliation bill or resolution in which a committee has complied with its reconciliation instructions solely by virtue of this section, the chairman of the Committee on the Budget of the House may file with the House appropriately revised allocations under section 302(a) of such Act and revised functional levels and aggregates.

(3) Allocations and aggregates revised pursuant to this subsection shall be considered to be allocations and aggregates established by the concurrent resolution on the budget pursuant to section 301 of such Act.

TITLE III—RESERVE FUNDS

SEC. 301. RESERVE FUND FOR THE DISPOSAL OF UNDERUTILIZED FEDERAL REAL PROPERTY.

If the Committee on Government Reform of the House reports a bill or joint resolution, or an amendment is offered thereto or a conference report is submitted thereon, that enhances the Government's real property disposal authority and generates discretionary savings, the chairman of the Committee on the Budget may make the appropriate adjustments in allocations and aggregates by the amount provided by that measure for that purpose, but not to exceed \$25,000,000 in new budget authority and outlays flowing therefrom for fiscal year 2007, and \$25,000,000 in new budget authority and outlays flowing therefrom for the period of fiscal years 2007 through 2011.

SEC. 302. RESERVE FUND FOR SECURE RURAL SCHOOLS AND COMMUNITY SELF-DETERMINATION ACT REAUTHORIZATION.

In the House, after the filing of a rule that provides for the consideration of any bill or joint resolution or whenever any bill or joint resolution is placed on any calendar, or if an amendment is offered to or conference report is submitted on any bill or joint resolution that provides for the reauthorization of the Secure Rural Schools and Community Self-Determination Act (Public Law 106-393), then the chairman of the Committee on the Budget may make the appropriate adjustments in allocations and aggregates to the extent that such legislation would not increase the deficit for the period of fiscal years 2007 through 2011.

SEC. 303. RESERVE FUND FOR CALENDAR YEAR 2007 ALTERNATIVE MINIMUM TAX RELIEF.

If the Committee on Ways and Means reports a bill, or an amendment is offered thereto or a conference report is submitted thereon, that would increase the exemption amounts specified in section 55(d)(1) of the Internal Revenue Code of 1986 with respect to taxable years beginning in calendar year 2007, the chairman of the Committee on the Budget may make the appropriate adjustments in allocations and aggregates for fiscal year 2007 to the extent that such legislation would not reduce revenues below the aggregate level of revenues provided in section 101(1)(A) for the period of fiscal years 2007 through 2011.

SEC. 304. RESERVE FUND FOR THE NATIONAL FLOOD INSURANCE PROGRAM TO MEET OUTSTANDING CLAIMS FOR FLOOD DAMAGE IN THE GULF.

If the Committee on Financial Services of the House reports a bill or joint resolution, or an amendment is offered thereto or a conference report is submitted thereon, that—

(1) establishes more actuarially sound rates on policies issued by the National Flood Insurance Program; and

(2) phases out flood insurance subsidies on pre-FIRM structures not used as primary residences;

the chairman of the Committee on the Budget may make the appropriate adjustments in allocations and aggregates by the amount provided by that measure for the purpose of liquidating the National Flood Insurance Fund's remaining contractual obligations resulting from claims made as a result of floods that occurred in 2005, but not to exceed \$3,325,000,000 in new budget authority for fiscal year 2007 for that purpose. Such adjustments may also be made if the reforms set forth in paragraphs (1) and (2) have been enacted prior to the consideration of the measure referred to in this section.

SEC. 305. RESERVE FUND FOR THE REFORM OF THE REGULATION OF GOVERNMENT-SPONSORED ENTERPRISES.

In the House, if—

(1) the Committee on Financial Services of the House reports a bill or joint resolution, or if an amendment is offered thereto or a conference report is submitted thereon, that reforms the regulation of certain housing-related Government-sponsored enterprises; and

(2) that committee is within its allocation as provided under section 302(a) of the Congressional Budget Act of 1974;

the chairman of the Committee on the Budget may make the appropriate adjustments in allocations and aggregates to the extent that such legislation would not increase the deficit for fiscal year 2007 and the period of fiscal years 2007 through 2011.

SEC. 306. RESERVE FUND TO ACCOMMODATE FULLY OFFSET APPROPRIATIONS FOR LABOR/HHS, EDUCATION, AND OTHER DOMESTIC PRIORITIES.

In the House, if any measure is enacted that reduces direct spending for fiscal year 2007 and for the period of fiscal years 2007 through 2011, and so designates some or all of such savings provisions pursuant to this section, then the chairman of the Committee on Budget shall increase the allocation of new budget authority (and outlays flowing therefrom) to the Committee on Appropriations for fiscal year 2007 by an amount not to exceed the reduction in budget authority for that fiscal year achieved by such designated provisions. Adjustments made pursuant to this section may not be—

(1) greater than the savings achieved by the measure in which such designated provisions are included; or

(2) in excess of \$3,100,000,000 for fiscal year 2007.

Such chairman may make any other appropriate adjustments to applicable aggregates and allocations under this section.

TITLE IV—BUDGET ENFORCEMENT

SEC. 401. RESTRICTIONS ON ADVANCE APPROPRIATIONS.

(a) IN GENERAL.—(1) In the House, except as provided in subsection (b), an advance appropriation may not be reported in a bill or joint resolution making a general appropriation or continuing appropriation, and may not be in order as an amendment thereto.

(2) Managers on the part of the House may not agree to a Senate amendment that would violate paragraph (1) unless specific authority to agree to the amendment first is given by the House by a separate vote with respect thereto.

(b) ADVANCE APPROPRIATION.—In the House, an advance appropriation may be provided for the fiscal years 2008 and 2009 for programs, projects, activities, or accounts identified in the joint explanatory statement of managers accompanying this resolution under the heading "Accounts Identified for Advance Appropriations" in an aggregate amount not to exceed \$23,565,000,000 in new budget authority in each year.

(c) DEFINITION.—In this section, the term "advance appropriation" means any new budget authority provided in a bill or joint resolution making general appropriations or any new budget authority provided in a bill or joint resolution making continuing appropriations for fiscal year 2007 that first becomes available for any fiscal year after 2007.

SEC. 402. CONTINGENCY OPERATIONS RELATED TO THE GLOBAL WAR ON TERRORISM AND FOR UNANTICIPATED DEFENSE NEEDS.

(a) EXEMPTION OF CONTINGENCY OPERATIONS RELATED TO THE GLOBAL WAR ON TERRORISM AND FOR UNANTICIPATED DEFENSE NEEDS.—In the House, if any bill or joint resolution is reported, or an amendment is offered thereto or a conference report is filed thereon, that makes appropriations for fiscal year 2007 for contingency operations directly related to the global war on terrorism, and other unanticipated defense-related operations, then the new budget authority, new entitlement authority, outlays, or receipts resulting therefrom shall not count for purposes of titles III or IV of the Congressional Budget Act of 1974.

(b) CURRENT LEVEL.—Amounts included in this resolution for the purpose set forth in this section shall be considered to be current law for purposes of the preparation of the current level of budget authority and outlays and the appropriate levels shall be adjusted upon the enactment of such bill.

SEC. 404. APPLICATION AND EFFECT OF CHANGES IN ALLOCATIONS AND AGGREGATES.

(a) APPLICATION.—Any adjustments of allocations and aggregates made pursuant to this resolution shall—

(1) apply while that measure is under consideration;

(2) take effect upon the enactment of that measure; and

(3) be published in the Congressional Record as soon as practicable.

(b) EFFECT OF CHANGED ALLOCATIONS AND AGGREGATES.—Revised allocations and aggregates resulting from these adjustments shall be considered for the purposes of the Congressional Budget Act of 1974 as allocations and aggregates contained in this resolution.

(c) BUDGET COMMITTEE DETERMINATIONS.—For purposes of this resolution—

(1) the levels of new budget authority, outlays, direct spending, new entitlement authority, revenues, deficits, and surpluses for a fiscal year or period of fiscal years shall be determined on the basis of estimates made by the appropriate Committee on the Budget; and

(2) such chairman may make any other necessary adjustments to such levels, including adjustments necessary, and in the House separate allocations, to reflect the timing of responses to reconciliation directives pursuant to section 201 of this resolution.

SEC. 405. ADJUSTMENTS TO REFLECT CHANGES IN CONCEPTS AND DEFINITIONS.

Upon the enactment of a bill or joint resolution providing for a change in concepts or definitions, the appropriate chairman of the Committee on the Budget shall make adjustments to the levels and allocations in this resolution in accordance with section 251(b) of the Balanced Budget and Emergency Deficit Control Act of 1985 (as in effect prior to September 30, 2002).

SEC. 406. COMPLIANCE WITH SECTION 13301 OF THE BUDGET ENFORCEMENT ACT OF 1990.

(a) IN GENERAL.—In the House and the Senate, notwithstanding section 302(a)(1) of the Congressional Budget Act of 1974 and section 13301 of the Budget Enforcement Act of 1990, the joint explanatory statement accompanying the conference report on any concurrent resolution on the budget shall include in its allocation under section 302(a) of the Congressional Budget Act of 1974 to the Committee on Appropriations amounts for the discretionary administrative expenses of the Social Security Administration.

(b) SPECIAL RULE.—In the House, for purposes of applying section 302(f) of the Congressional Budget Act of 1974, estimates of the level of total new budget authority and total outlays provided by a measure shall include any discretionary amounts provided for the Social Security Administration.

SEC. 407. EXERCISE OF RULEMAKING POWERS.

Congress adopts the provisions of this title—

(1) as an exercise of the rulemaking power of the Senate and the House, respectively, and as such they shall be considered as part of the rules of each House, or of that House to which they specifically apply, and such rules shall supersede other rules only to the extent that they are inconsistent therewith; and

(2) with full recognition of the constitutional right of either House to change those rules (so far as they relate to that house) at any time, in the same manner, and to the same extent as in the case of any other rule of that House.

SEC. 408. TREATMENT OF ALLOCATIONS IN THE HOUSE.

(a) IN GENERAL.—In the House, the Committee on Appropriations may make a separate suballocation for appropriations for the legislative branch for the first fiscal year of this resolution. Such suballocation shall be deemed to be made under section 302(b) of the Congressional Budget Act of 1974 and shall be treated as such a suballocation for all purposes under section 302 of such Act.

(b) DISPLAY OF COMMITTEE ALLOCATIONS.—An allocation to a committee under section 302(a) of the Congressional Budget Act of 1974 may display an amount to reflect a committee's instruction under the reconciliation process, but it shall not constitute an allocation within the meaning of section 302 of such Act. Any deficit reduction achieved in a reconciliation bill submitted pursuant to title II of this resolution shall not be included in current levels of new budget authority and outlays for purposes of enforcing an allocation under 302(a) of such Act.

SEC. 409. BUDGETARY TREATMENT OF THE NATIONAL FLOOD INSURANCE PROGRAM.

(a) TREATMENT.—For purposes of the allocations and aggregates in this resolution, the reconciliation directives established by this resolution, and for any other purpose under titles III and IV of the Congressional Budget Act of 1974, the budgetary effects of any bill or joint resolution, amendment thereto, or conference report thereon, or any recommendations submitted pursuant to section 201 that includes the reforms set forth in subsection (b) shall be scored without regard to the obligations resulting from the enactment of Public Law 109-208. Such estimate shall assume the liquidating of the National Flood Insurance Fund's remaining contractual obligations resulting from claims made as a result of floods that occurred in 2005.

(b) LEGISLATION.—The legislation referred to in subsection (a) shall—

(1) establish more actuarially sound rates on policies issued by the National Flood Insurance Program; and

(2) end flood insurance subsidies on pre-FIRM structures not used as primary residences.

SEC. 410. ADJUSTMENTS FOR TAX LEGISLATION.

In the House, if the Committee on Ways and Means reports a bill or joint resolution, or an amendment is offered thereto or a conference report is submitted thereon, that amends the Internal Revenue Code of 1986 by extending the expiration dates for Federal tax policies that expired during fiscal year 2006 or that expire during the period of fiscal years 2007 through 2011, then the chairman of the Committee on the Budget may make appropriate adjustments in the allocations and aggregates of budget authority, outlays, and revenue set forth in this resolution to reflect the budgetary effects of such legislation, but only to the extent the adjustments would not cause the level of revenue to be less than the level of revenue provided for in this resolution for the period of fiscal years 2007 through 2011 and would not cause the deficit to exceed the appropriate level of deficits provided for in this resolution for the period of fiscal years 2007 through 2011.

TITLE V—EMERGENCY RESERVE FUND

SEC. 501. NONDEFENSE RESERVE FUND FOR EMERGENCIES.

(a) NONDEFENSE RESERVE FUNDS.—

(1) DISCRETIONARY RESERVE FUND.—In the House and except as provided by subsection (b), if a bill or joint resolution is reported, or an amendment is offered thereto (or considered as adopted) or a conference report is filed thereon, that provides new discretionary budget authority (and outlays flowing therefrom), and such provision is designated as an emergency pursuant to this section, the chairman of the Committee on the Budget shall make adjustments to the allocations and aggregates set forth in this resolution up to the amount of such provisions if the requirements set forth in section 504 are met, but the sum of all adjustments made under this paragraph shall not exceed \$6,450,000,000 for fiscal year 2007.

(2) OTHER ADJUSTMENTS.—In the House, if a bill or joint resolution is reported or a conference report is filed thereon, and a direct spending or receipt provision included therein is designated as an emergency pursuant to this paragraph, the chairman of the Committee on the Budget may make adjustments to the allocations and aggregates set forth in this resolution.

(b) ADDITIONAL ADJUSTMENT PROCEDURES.—In the House, before any adjustment is made pursuant to this section for any bill, joint resolution, or conference report that designates a provision an emergency, the enactment of which would cause the total amount of the reserve fund set forth in subsection (a)(1) for fiscal year 2007 to be exceeded:

(1) The chairman of the Committee on the Budget shall convene a meeting of that committee, where it shall be in order, subject to the terms set forth in this section, for one motion described in paragraph (2) to be made to authorize the chairman to make adjustments above the maximum amount of adjustments set forth in subsection (a).

(2) The motion referred to in paragraph (1) shall be in the following form: 'I move that the chairman of the Committee on the Budget be authorized to adjust the allocations and aggregates set forth in the concurrent resolution on the budget for fiscal year 2007 by the following amount: \$___ for fiscal year 2007.', with the blank being filled in with the amount determined by the chairman of the Committee on the Budget. For any measure referred to in subsection (a)(1), such amount shall not exceed the total amount for fiscal year 2007 designated as an emergency in excess of the applicable amount remaining in the reserve fund.

(3) The motion set forth in paragraph (2) shall be open for debate and amendment, but any amendment offered thereto is only in order if limited to changing an amount in the motion.

(4) Except as provided by paragraph (5), the chairman of the Committee on the Budget may not make any adjustments under subsection (a) or subsection (b) unless or until the committee filing a report or joint statement of managers on a conference report on a measure including an emergency designation fulfills the terms set forth in section 504.

(5) The chairman of the Committee on the Budget shall make any adjustments he deems necessary under this section if he determines the enactment of the provision or provisions designated as an emergency is essential to respond to an urgent and imminent need, the chairman determines the exceptional circumstances referred to in rule 3 of the rules of the committee are met and the committee cannot convene to consider the motion referred to in this section in a timely fashion.

(c) APPLICATION OF ADJUSTMENTS.—The adjustments made pursuant to subsection (1) and (b) shall—

(1) apply while that bill, joint resolution, conference report or amendment is under consideration;

(2) take effect upon the enactment of that legislation; and

(3) be published in the Congressional Record as soon as practicable.

SEC. 502. EMERGENCY CRITERIA.

As used in this title:

(1) The term "emergency" means a situation that—

(A) requires new budget authority and outlays (or new budget authority and the outlays flowing therefrom) for the prevention or mitigation of, or response to, loss of life or property, or a threat to national security; and

(B) is unanticipated.

(2) The term "unanticipated" means that the underlying situation is—

(A) Sudden, which means quickly coming into being or not building up over time;

(B) Urgent, which means a pressing and compelling need requiring immediate action;

(C) Unforeseen, which means not predicted or anticipated as an emerging need; and

(D) Temporary, which means not of a permanent duration.

SEC. 503. DEVELOPMENT OF GUIDELINES FOR APPLICATION OF EMERGENCY DEFINITION.

In the House, as soon as practicable after the adoption of this resolution, the chairman of the Committee on the Budget shall, after consultation with the chairmen of the applicable committees, and the Director of the Congressional Budget Office, prepare guidelines for application of the definition of an emergency and publish such guidelines in the Congressional Record, and may issue any committee print from the Committee on the Budget for this or other purposes.

SEC. 504. COMMITTEE NOTIFICATION OF EMERGENCY LEGISLATION.

(a) COMMITTEE NOTIFICATION.—Whenever a committee of the House (including a committee of conference) reports any bill or joint resolution that includes a provision designated as an emergency pursuant to this title, the report accompanying that bill or joint resolution (or the joint explanatory statement of managers in the case of a conference report on any such bill or joint resolution) shall identify all provisions that provide amounts designated as an emergency and shall provide an explanation of the manner in which the provision meets the criteria set forth in section 502.

(b) CONGRESSIONAL RECORD.—If such a measure is to be considered by the House without being reported by the committee of jurisdiction, then the committee shall cause the explanation to be published in the Congressional Record as soon as practicable.

SEC. 505. UP-TO-DATE TABULATIONS.

The Committee on the Budget of the House shall publish in the Congressional Record up-to-date tabulations of amounts remaining in the reserve fund set forth in section 501, or authorized in excess thereof, as soon as practicable after the enactment of such amounts designated as emergencies.

TITLE VI—SENSE OF CONGRESS

SEC. 601. SENSE OF CONGRESS ON LONG-TERM BUDGETING.

It is the sense of Congress that the determination of the congressional budget for the United States Government and the President's budget request should include consideration of the Financial Report of the United States Government, especially its information regarding the Government's net operating cost, financial position, and long-term liabilities.

SEC. 602. SENSE OF CONGRESS ON CLOSING THE TAX GAP TO REDUCE THE DEFICIT.

It is the sense of Congress that any revenues increases achieved through recovery of taxes legally owed to the U.S. Treasury but not actually paid, the so-called "tax gap", shall be dedicated entirely to reducing the deficit and the accumulated debt, and not to financing additional spending.

SEC. ____ . IMPORTANCE OF FUNDING FY2007 DEPARTMENTS OF LABOR, HEALTH AND HUMAN SERVICES, EDUCATION, AND RELATED AGENCIES APPROPRIATION BILL.

(a) FINDINGS.—The House of Representatives finds that—

(1) the budget resolution sets total discretionary spending at \$872,778,000,000; and

(2) additional funding can be provided for discretionary programs under the budget resolution provided that it is offset with mandatory or discretionary savings in negotiations with the Senate.

(b) RECOGNITION.—The House of Representatives recognizes the need to increase the President's fiscal year 2007 request for the Departments of Labor, Health and Human Services, Education, and Related Agencies Appropriation bill by not less than \$7,158,000,000.

SEC. ____ . UNOBLIGATED FUNDING OFFSET.

There should be included in any offsets enacted to provide for the increases relative to the President's request for the Labor, Health and Human Services, Education and Related Agencies Appropriations bill a rescission of at least \$1,000,000,000 from available, unobligated funds previously appropriated for reconstruction activities in Iraq.

The Acting CHAIRMAN. No further amendment to the concurrent resolution is in order except the amendments printed in part B of the report. Each amendment may be offered only in the order printed in the report, by a Member designated in the report, shall be considered read, shall be debatable for 40 minutes, equally divided and controlled by the proponent and an opponent, and shall not be subject to amendment.

After conclusion of consideration of the concurrent resolution for amendment, there shall be a final period of general debate which shall not exceed 20 minutes, equally divided and controlled by the chairman and ranking minority member of the Committee on the Budget.

AMENDMENT NO. 1 OFFERED BY MR. WATT

Mr. WATT. Mr. Chairman, I offer an amendment.

The Acting CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Part B amendment No. 1 in the nature of a substitute printed in House Report 109-468 offered by Mr. WATT:

Strike all after the resolving clause and insert the following:

SECTION 1. CONCURRENT RESOLUTION ON THE BUDGET FOR FISCAL YEAR 2007.

The Congress declares that this is the concurrent resolution on the budget for fiscal year 2007, including appropriate budgetary levels for fiscal years 2008 through 2011.

TITLE I—RECOMMENDED LEVELS AND AMOUNTS

SEC. 101. RECOMMENDED LEVELS AND AMOUNTS.

The following budgetary levels are appropriate for each of fiscal years 2007 through 2011:

(1) FEDERAL REVENUES.—For purposes of the enforcement of this resolution:

(A) The recommended levels of Federal revenues are as follows:

- Fiscal year 2007: \$1,877,299,000,000.00.
- Fiscal year 2008: \$1,974,876,000,000.00.
- Fiscal year 2009: \$2,087,771,000,000.00.
- Fiscal year 2010: \$2,196,377,000,000.00.
- Fiscal year 2011: \$2,420,471,000,000.00.

(B) The amounts by which the aggregate levels of Federal revenues should be reduced are as follows:

- Fiscal year 2007: \$57,700,000,000.00.
- Fiscal year 2008: \$53,100,000,000.00.
- Fiscal year 2009: \$56,200,000,000.00.
- Fiscal year 2010: \$60,400,000,000.00.
- Fiscal year 2011: \$63,400,000,000.00.

(2) NEW BUDGET AUTHORITY.—For purposes of the enforcement of this resolution, the appropriate levels of total new budget authority are as follows:

- Fiscal year 2007: \$2,339,794,000,000.00.
- Fiscal year 2008: \$2,377,266,000,000.00.
- Fiscal year 2009: \$2,470,110,000,000.00.
- Fiscal year 2010: \$2,570,061,000,000.00.
- Fiscal year 2011: \$2,691,732,000,000.00.

(3) BUDGET OUTLAYS.—For purposes of the enforcement of this resolution, the appropriate levels of total budget outlays are as follows:

- Fiscal year 2007: \$2,349,169,000,000.00.
- Fiscal year 2008: \$2,412,607,000,000.00.
- Fiscal year 2009: \$2,477,159,000,000.00.
- Fiscal year 2010: \$2,566,991,000,000.00.
- Fiscal year 2011: \$2,682,198,000,000.00.

(4) DEFICITS (ON-BUDGET).—For purposes of the enforcement of this resolution, the amounts of the deficits (on-budget) are as follows:

- Fiscal year 2007: \$ - 471,870,000,000.00.
- Fiscal year 2008: \$ - 437,731,000,000.00.
- Fiscal year 2009: \$ - 389,388,000,000.00.
- Fiscal year 2010: \$ - 370,614,000,000.00.
- Fiscal year 2011: \$ - 261,727,000,000.00.

(5) DEBT SUBJECT TO LIMIT.—Pursuant to section 301(a)(5) of the Congressional Budget Act of 1974, the appropriate levels of the public debt are as follows:

- Fiscal year 2007: \$9,098,905,000,000.00.
- Fiscal year 2008: \$9,648,135,000,000.00.
- Fiscal year 2009: \$10,145,324,000,000.00.
- Fiscal year 2010: \$10,620,812,000,000.00.
- Fiscal year 2011: \$10,980,497,000,000.00.

(6) DEBT HELD BY THE PUBLIC.—The appropriate levels of debt held by the public are as follows:

- Fiscal year 2007: \$5,245,092,000,000.00.
- Fiscal year 2008: \$5,480,886,000,000.00.
- Fiscal year 2009: \$5,651,568,000,000.00.
- Fiscal year 2010: \$5,785,485,000,000.00.
- Fiscal year 2011: \$5,794,228,000,000.00.

SEC. 102. MAJOR FUNCTIONAL CATEGORIES.

The Congress determines and declares that the appropriate levels of new budget authority and outlays for fiscal years 2007 through 2011 for each major functional category are:

- (1) National Defense (050):
 - Fiscal year 2007:
 - (A) New budget authority, \$506,347,000,000.00.
 - (B) Outlays, \$530,252,000,000.00.
 - Fiscal year 2008:
 - (A) New budget authority, \$484,661,000,000.00.
 - (B) Outlays, \$504,174,000,000.00.
 - Fiscal year 2009:
 - (A) New budget authority, \$504,753,000,000.00.
 - (B) Outlays, \$505,506,000,000.00.
 - Fiscal year 2010:
 - (A) New budget authority, \$514,858,000,000.00.
 - (B) Outlays, \$512,438,000,000.00.
 - Fiscal year 2011:
 - (A) New budget authority, \$525,781,000,000.00.
 - (B) Outlays, \$524,790,000,000.00.
- (2) International Affairs (150):
 - Fiscal year 2007:
 - (A) New budget authority, \$33,516,000,000.00.
 - (B) Outlays, \$35,543,000,000.00.
 - Fiscal year 2008:
 - (A) New budget authority, \$36,206,000,000.00.
 - (B) Outlays, \$35,046,000,000.00.
 - Fiscal year 2009:
 - (A) New budget authority, \$36,178,000,000.00.
 - (B) Outlays, \$35,080,000,000.00.
 - Fiscal year 2010:
 - (A) New budget authority, \$35,869,000,000.00.
 - (B) Outlays, \$34,991,000,000.00.
 - Fiscal year 2011:
 - (A) New budget authority, \$36,293,000,000.00.
 - (B) Outlays, \$34,735,000,000.00.
- (3) General Science, Space, and Technology (250):
 - Fiscal year 2007:
 - (A) New budget authority, \$26,438,000,000.00.
 - (B) Outlays, \$25,369,000,000.00.
 - Fiscal year 2008:
 - (A) New budget authority, \$27,646,000,000.00.
 - (B) Outlays, \$26,526,000,000.00.
 - Fiscal year 2009:
 - (A) New budget authority, \$28,693,000,000.00.
 - (B) Outlays, \$27,612,000,000.00.
 - Fiscal year 2010:
 - (A) New budget authority, \$29,910,000,000.00.
 - (B) Outlays, \$28,753,000,000.00.
 - Fiscal year 2011:
 - (A) New budget authority, \$31,189,000,000.00.
 - (B) Outlays, \$29,974,000,000.00.
- (4) Energy (270):
 - Fiscal year 2007:
 - (A) New budget authority, \$2,693,000,000.00.
 - (B) Outlays, \$1,098,000,000.00.
 - Fiscal year 2008:
 - (A) New budget authority, \$3,088,000,000.00.
 - (B) Outlays, \$1,038,000,000.00.
 - Fiscal year 2009:
 - (A) New budget authority, \$2,717,000,000.00.
 - (B) Outlays, \$1,306,000,000.00.
 - Fiscal year 2010:
 - (A) New budget authority, \$2,590,000,000.00.
 - (B) Outlays, \$1,268,000,000.00.
 - Fiscal year 2011:
 - (A) New budget authority, \$2,494,000,000.00.
 - (B) Outlays, \$1,111,000,000.00.
- (5) Natural Resources and Environment (300):
 - Fiscal year 2007:
 - (A) New budget authority, \$30,674,000,000.00.
 - (B) Outlays, \$33,707,000,000.00.
 - Fiscal year 2008:
 - (A) New budget authority, \$29,833,000,000.00.
 - (B) Outlays, \$31,608,000,000.00.
 - Fiscal year 2009:
 - (A) New budget authority, \$30,238,000,000.00.
 - (B) Outlays, \$31,236,000,000.00.
 - Fiscal year 2010:
 - (A) New budget authority, \$29,687,000,000.00.

- (B) Outlays, \$30,702,000,000.00.
- Fiscal year 2011:
 - (A) New budget authority, \$29,595,000,000.00.
 - (B) Outlays, \$30,304,000,000.00.
- (6) Agriculture (350):
 - Fiscal year 2007:
 - (A) New budget authority, \$30,029,000,000.00.
 - (B) Outlays, \$28,804,000,000.00.
 - Fiscal year 2008:
 - (A) New budget authority, \$27,705,000,000.00.
 - (B) Outlays, \$27,086,000,000.00.
 - Fiscal year 2009:
 - (A) New budget authority, \$27,012,000,000.00.
 - (B) Outlays, \$26,330,000,000.00.
 - Fiscal year 2010:
 - (A) New budget authority, \$25,870,000,000.00.
 - (B) Outlays, \$25,060,000,000.00.
 - Fiscal year 2011:
 - (A) New budget authority, \$25,511,000,000.00.
 - (B) Outlays, \$24,781,000,000.00.
- (7) Commerce and Housing Credit (370):
 - Fiscal year 2007:
 - (A) New budget authority, \$18,018,000,000.00.
 - (B) Outlays, \$9,277,000,000.00.
 - Fiscal year 2008:
 - (A) New budget authority, \$14,678,000,000.00.
 - (B) Outlays, \$9,414,000,000.00.
 - Fiscal year 2009:
 - (A) New budget authority, \$14,778,000,000.00.
 - (B) Outlays, \$9,458,000,000.00.
 - Fiscal year 2010:
 - (A) New budget authority, \$18,562,000,000.00.
 - (B) Outlays, \$10,357,000,000.00.
 - Fiscal year 2011:
 - (A) New budget authority, \$13,366,000,000.00.
 - (B) Outlays, \$6,890,000,000.00.
- (8) Transportation (400):
 - Fiscal year 2007:
 - (A) New budget authority, \$79,258,000,000.00.
 - (B) Outlays, \$76,187,000,000.00.
 - Fiscal year 2008:
 - (A) New budget authority, \$82,283,000,000.00.
 - (B) Outlays, \$79,140,000,000.00.
 - Fiscal year 2009:
 - (A) New budget authority, \$73,878,000,000.00.
 - (B) Outlays, \$78,976,000,000.00.
 - Fiscal year 2010:
 - (A) New budget authority, \$73,926,000,000.00.
 - (B) Outlays, \$78,515,000,000.00.
 - Fiscal year 2011:
 - (A) New budget authority, \$74,477,000,000.00.
 - (B) Outlays, \$78,546,000,000.00.
- (9) Community and Regional Development (450):
 - Fiscal year 2007:
 - (A) New budget authority, \$17,942,000,000.00.
 - (B) Outlays, \$31,792,000,000.00.
 - Fiscal year 2008:
 - (A) New budget authority, \$14,917,000,000.00.
 - (B) Outlays, \$26,500,000,000.00.
 - Fiscal year 2009:
 - (A) New budget authority, \$14,981,000,000.00.
 - (B) Outlays, \$23,201,000,000.00.
 - Fiscal year 2010:
 - (A) New budget authority, \$14,988,000,000.00.
 - (B) Outlays, \$19,656,000,000.00.
 - Fiscal year 2011:
 - (A) New budget authority, \$15,218,000,000.00.
 - (B) Outlays, \$15,602,000,000.00.
- (10) Education, Training, Employment, and Social Services (500):
 - Fiscal year 2007:
 - (A) New budget authority, \$116,924,000,000.00.
 - (B) Outlays, \$98,336,000,000.00.
 - Fiscal year 2008:
 - (A) New budget authority, \$99,140,000,000.00.
 - (B) Outlays, \$109,332,000,000.00.
 - Fiscal year 2009:
 - (A) New budget authority, \$98,989,000,000.00.
 - (B) Outlays, \$98,848,000,000.00.
 - Fiscal year 2010:
 - (A) New budget authority, \$98,393,000,000.00.
 - (B) Outlays, \$97,923,000,000.00.
 - Fiscal year 2011:
 - (A) New budget authority, \$98,343,000,000.00.
 - (B) Outlays, \$97,597,000,000.00.
- (11) Health (550):

Fiscal year 2007:
 (A) New budget authority, \$281,193,000,000.00.
 (B) Outlays, \$276,397,000,000.00.
 Fiscal year 2008:
 (A) New budget authority, \$294,867,000,000.00.
 (B) Outlays, \$295,323,000,000.00.
 Fiscal year 2009:
 (A) New budget authority, \$315,193,000,000.00.
 (B) Outlays, \$313,315,000,000.00.
 Fiscal year 2010:
 (A) New budget authority, \$331,949,000,000.00.
 (B) Outlays, \$331,605,000,000.00.
 Fiscal year 2011:
 (A) New budget authority, \$353,509,000,000.00.
 (B) Outlays, \$352,084,000,000.00.
 (12) Medicare (570):
 Fiscal year 2007:
 (A) New budget authority, \$383,503,000,000.00.
 (B) Outlays, \$388,845,000,000.00.
 Fiscal year 2008:
 (A) New budget authority, \$414,050,000,000.00.
 (B) Outlays, \$414,094,000,000.00.
 Fiscal year 2009:
 (A) New budget authority, \$444,031,000,000.00.
 (B) Outlays, \$443,720,000,000.00.
 Fiscal year 2010:
 (A) New budget authority, \$473,662,000,000.00.
 (B) Outlays, \$473,938,000,000.00.
 Fiscal year 2011:
 (A) New budget authority, \$523,967,000,000.00.
 (B) Outlays, \$524,005,000,000.00.
 (13) Income Security (600):
 Fiscal year 2007:
 (A) New budget authority, \$360,761,000,000.00.
 (B) Outlays, \$364,795,000,000.00.
 Fiscal year 2008:
 (A) New budget authority, \$376,174,000,000.00.
 (B) Outlays, \$378,529,000,000.00.
 Fiscal year 2009:
 (A) New budget authority, \$386,732,000,000.00.
 (B) Outlays, \$389,048,000,000.00.
 Fiscal year 2010:
 (A) New budget authority, \$396,682,000,000.00.
 (B) Outlays, \$398,178,000,000.00.
 Fiscal year 2011:
 (A) New budget authority, \$411,687,000,000.00.
 (B) Outlays, \$411,960,000,000.00.
 (14) Social Security (650):
 Fiscal year 2007:
 (A) New budget authority, \$17,000,000,000.00.
 (B) Outlays, \$16,990,000,000.00.
 Fiscal year 2008:
 (A) New budget authority, \$18,604,000,000.00.
 (B) Outlays, \$18,636,000,000.00.
 Fiscal year 2009:
 (A) New budget authority, \$20,312,000,000.00.
 (B) Outlays, \$20,351,000,000.00.
 Fiscal year 2010:
 (A) New budget authority, \$22,268,000,000.00.
 (B) Outlays, \$22,305,000,000.00.
 Fiscal year 2011:
 (A) New budget authority, \$25,782,000,000.00.
 (B) Outlays, \$25,806,000,000.00.
 (15) Veterans Benefits and Services (700):
 Fiscal year 2007:
 (A) New budget authority, \$79,181,000,000.00.
 (B) Outlays, \$77,849,000,000.00.
 Fiscal year 2008:
 (A) New budget authority, \$81,425,000,000.00.
 (B) Outlays, \$81,596,000,000.00.
 Fiscal year 2009:
 (A) New budget authority, \$82,314,000,000.00.
 (B) Outlays, \$82,420,000,000.00.

Fiscal year 2010:
 (A) New budget authority, \$82,732,000,000.00.
 (B) Outlays, \$82,741,000,000.00.
 Fiscal year 2011:
 (A) New budget authority, \$86,898,000,000.00.
 (B) Outlays, \$86,749,000,000.00.
 (16) Administration of Justice (750):
 Fiscal year 2007:
 (A) New budget authority, \$45,953,000,000.00.
 (B) Outlays, \$46,180,000,000.00.
 Fiscal year 2008:
 (A) New budget authority, \$45,908,000,000.00.
 (B) Outlays, \$46,369,000,000.00.
 Fiscal year 2009:
 (A) New budget authority, \$46,454,000,000.00.
 (B) Outlays, \$46,692,000,000.00.
 Fiscal year 2010:
 (A) New budget authority, \$46,816,000,000.00.
 (B) Outlays, \$46,874,000,000.00.
 Fiscal year 2011:
 (A) New budget authority, \$47,862,000,000.00.
 (B) Outlays, \$47,494,000,000.00.
 (17) General Government (800):
 Fiscal year 2007:
 (A) New budget authority, \$19,481,000,000.00.
 (B) Outlays, \$19,285,000,000.00.
 Fiscal year 2008:
 (A) New budget authority, \$18,832,000,000.00.
 (B) Outlays, \$18,792,000,000.00.
 Fiscal year 2009:
 (A) New budget authority, \$18,865,000,000.00.
 (B) Outlays, \$18,586,000,000.00.
 Fiscal year 2010:
 (A) New budget authority, \$18,750,000,000.00.
 (B) Outlays, \$18,507,000,000.00.
 Fiscal year 2011:
 (A) New budget authority, \$18,979,000,000.00.
 (B) Outlays, \$18,707,000,000.00.
 (18) Net Interest (900):
 Fiscal year 2007:
 (A) New budget authority, \$353,323,000,000.00.
 (B) Outlays, \$353,323,000,000.00.
 Fiscal year 2008:
 (A) New budget authority, \$381,898,000,000.00.
 (B) Outlays, \$381,898,000,000.00.
 Fiscal year 2009:
 (A) New budget authority, \$403,724,000,000.00.
 (B) Outlays, \$403,724,000,000.00.
 Fiscal year 2010:
 (A) New budget authority, \$424,708,000,000.00.
 (B) Outlays, \$424,708,000,000.00.
 Fiscal year 2011:
 (A) New budget authority, \$445,604,000,000.00.
 (B) Outlays, \$445,604,000,000.00.
 (19) Allowances (920):
 Fiscal year 2007:
 (A) New budget authority, \$6,145,000,000.00.
 (B) Outlays, \$4,568,000,000.00.
 Fiscal year 2008:
 (A) New budget authority, \$-5,922,000,000.00.
 (B) Outlays, \$-4,096,000,000.00.
 Fiscal year 2009:
 (A) New budget authority, \$-5,252,000,000.00.
 (B) Outlays, \$-4,051,000,000.00.
 Fiscal year 2010:
 (A) New budget authority, \$-5,384,000,000.00.
 (B) Outlays, \$-4,939,000,000.00.
 Fiscal year 2011:
 (A) New budget authority, \$-5,539,000,000.00.
 (B) Outlays, \$-5,293,000,000.00.
 (20) Undistributed Offsetting Receipts (950):
 Fiscal year 2007:
 (A) New budget authority, \$-68,585,000,000.00.
 (B) Outlays, \$-69,427,000,000.00.
 Fiscal year 2008:
 (A) New budget authority, \$-68,727,000,000.00.
 (B) Outlays, \$-68,399,000,000.00.

Fiscal year 2009:
 (A) New budget authority, \$-74,480,000,000.00.
 (B) Outlays, \$-74,199,000,000.00.
 Fiscal year 2010:
 (A) New budget authority, \$-66,775,000,000.00.
 (B) Outlays, \$-66,588,000,000.00.
 Fiscal year 2011:
 (A) New budget authority, \$-69,284,000,000.00.
 (B) Outlays, \$-69,247,000,000.00.

TITLE II—MISCELLANEOUS PROVISIONS

SEC. 201. PAY-AS-YOU-GO POINT OF ORDER IN THE HOUSE.

(a) POINT OF ORDER.—It shall not be in order in the House to consider any direct spending or revenue legislation that would increase the on-budget deficit or cause an on-budget deficit for any of the following periods:

(1) The budget year.
 (2) The period of the budget year and the next 4 fiscal years.

(b) ON-BUDGET DEFICIT.—

(1) DEFINITION.—For purposes of this section, the term “on-budget deficit” means a budget deficit that occurs in any year in which total outlays exceed total revenues, counting Federal revenues and outlays, except those of the old age, survivors and disability insurance trust funds established under title II of the Social Security Act, as provided in section 13301 of the Budget Enforcement Act of 1990.

(c) DETERMINATION OF BUDGET LEVELS.—For purposes of this section, the levels of new budget authority, outlays, and revenues for a fiscal year shall be determined on the basis of estimates made by the Committee on the Budget of the House.

(d) EXPIRATION.—This section shall expire on December 31, 2016.

SEC. 202. DEPARTMENT OF DEFENSE REPORT TO CONGRESS.

(a) FINDINGS.—The Congress finds that—

(1) \$290,600,000 has been specifically reallocated to the Department of Defense in order to implement the recommendations of the Government Accountability Office (GAO) for improvement that will produce tremendous cost savings within the Department;

(2) between 2001 and 2005, GAO provided the Department of Defense with 2153 recommendations, many related to improving their business practices and, to date, the Department of Defense has implemented 604 recommendations and closed 96 recommendations without implementation; and

(3) the GAO estimates that the 604 implemented recommendations have yielded the Department of Defense a savings of \$40.8 billion between fiscal years 2001 and 2005.

(b) ASSUMPTION; REPORT.—

(1) ASSUMPTION.—This resolution assumes \$290,600,000 to be used by the Department of Defense to implement the remaining 1,453 recommendations of the Government Accountability Office.

(2) REPORT.—The Secretary of Defense shall submit a report to Congress within 90 days that demonstrates how each such recommendation shall be implemented, and, in the case of any such recommendation that cannot be implemented, a detailed reason for such inability to implement such recommendation.

The Acting CHAIRMAN. Pursuant to House Resolution 817, the gentleman from North Carolina (Mr. WATT) and a Member opposed each will control 20 minutes.

The Chair recognizes the gentleman from North Carolina.

Mr. WATT. Mr. Chairman, as the Chair of the Congressional Black Caucus, I am honored to offer the Congressional Black Caucus 2007 fiscal year budget alternative, and I yield myself 3 minutes.

Mr. Chairman, a number of budgets are going to be offered tonight, and I think we are going to see a lot of smoke and mirrors and trickery.

□ 2045

But we are honest in the way we approach our budget. We believe a budget is a statement of priorities, and we believe that there are priorities that we must pay for, and we must find the money to pay for them.

So let me be straight up front that we intend in our budget to roll back, rescind the tax cuts on individuals' adjusted gross income in excess of \$200,000. People will still get the benefits of tax cuts under \$200,000, but by doing that over a 5-year period, we will gain \$137 billion. We intend to eliminate corporate tax incentives for offshoring jobs. By doing that over a 5-year period, we will gain \$50 billion. We intend to close tax loopholes and abusive shelters, and with that we will gain \$10 billion. And on and on and on. So we are transparent in where we are getting our money from.

We intend to spend that money on priorities that we have identified in the Congressional Black Caucus' agenda to close and eliminate disparities that continue to exist in our country between African Americans and other Americans in this country in education, in health care, in every conceivable way that we can approach this. It is our intention to do that.

Let there be no mistake. We are not here to apologize because we think it is a higher priority for our country to eliminate and close these disparities that have existed throughout our history. We think that is more important than giving tax breaks to people who make over \$200,000 a year. That is the simple premise of our budget.

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

Mr. MARIO DIAZ-BALART of Florida. Mr. Chairman, I rise to claim the time in opposition to the amendment.

The Acting CHAIRMAN. The gentleman from Florida is recognized for 20 minutes.

Mr. MARIO DIAZ-BALART of Florida. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, first and foremost, I want to thank the members of the Congressional Black Caucus. Putting together a budget is not an easy task. It takes a lot of work, a lot of time; so I want to thank them for doing that and for proposing what I think is a piece of legislation that really dramatically shows the differences between the two sides.

Compared to the committee budget, this substitute increases taxes by \$96.6 billion in fiscal year 2007 alone, and it increases taxes also on the American

people by \$516.9 billion in the next 5 years.

Now, I know that when you deal with numbers of this scope, it is hard for people, those of us here sometimes and people back home, to really kind of grasp what that is, put that in perspective. So I wanted to try to put what those numbers, those tax increases on the American people that this amendment proposes, what they really are like.

The tax increase proposal for fiscal year 2007, again \$96.6 billion, proposed by this amendment, and I have a board here that has a picture of the State of Florida, the State that I am honored to represent, and they just had a legislative session in the State of Florida. The tax increases in this amendment are larger than the entire budget of the entire State of Florida. Now, keep in mind what we are talking about. The State of Florida, the fourth most populous State in the entire country, which funds from their budget schools and housing projects and every road in the State and environmental protection, including Everglades restoration, and law enforcement and prosecutors and health care and the court system and the public defenders and the judges, et cetera, et cetera, et cetera, et cetera. So if you get the entire budget of the entire State of Florida, it is smaller than the tax increases that this amendment proposes just in 1 year. Just in 1 year. I think that kind of puts it in perspective.

But that is not all, because if you look at the tax increases proposed for the 5-year program that this amendment proposes, which is a tax increase on the hard-working American people of \$516.9 billion, and I have another board, that tax increase is larger than 1 year's expenditure of Argentina, the Bahamas, Belarus, Belgium, Colombia, Costa Rica, Croatia, the Czech Republic, Bulgaria, Egypt, Guatemala, Honduras, Jordan, Libya, Pakistan, Panama, Puerto Rico, Thailand, Uganda, Uzbekistan combined. So some people say we are spending too much money on foreign aid. No. The tax increases in this amendment over 5 years are larger than what these countries spend in 1 year for all their expenditures combined. I think that puts it in perspective.

But we can go further. We can go further. Let us put the entire Western Hemisphere, this amendment is asking the taxpayers of the United States in 5 years to pay in new increased taxes more than the entire expenditures of the governments of the entire Western Hemisphere combined. Yes, Mr. Chairman. Brazil, Argentina, Panama, Belize, Jamaica, Dominican Republic, Peru, Colombia, Venezuela, Guatemala, Costa Rica, Haiti, Paraguay, and all the Caribbean. If you funded their expenditures for 1 year, it is still not as large as the tax increase that this amendment imposes on the American people for the next 5 years.

But some people may say, Well, I do not know a lot about those countries,

maybe they are just not that large. They are. But maybe they are not that large. So let me see, what is the biggest economic superpower that we hear about all the time? Let us pick China, Communist China. We know what a huge superpower it is. We know that it is an incredible monster of an economy. Let us look at what their expenditures are in 1 year, and let us compare it to the tax increases that this amendment proposes to impose on the American people in increased taxes over the next 5 years.

The expenditures of China for 1 year, \$424.3 billion, and yet this tax increase on the hard-working American people over 5 years is larger than that expenditure of China. But also throw on top of that the entire budget of the State of Florida, and you still have about \$20 billion of wiggle room to play with.

It is important to realize that there is a huge difference between these two bills. Under the budget, the following tax relief under this proposed amendment would obviously expire: the \$1,000 child tax credit that all families benefit from; the 10 percent bracket, which the entire middle class benefits from; the repeal of the estate tax, which obviously would kill small businesses by that tax increase.

And the worst part, though, is not only does it increase taxes to an incredible degree, it also then cuts expenditures. For example, there is no provision for supplemental funding for the combat operations in Afghanistan and Iraq or even for natural disasters; so it increases dramatically taxes, but does not fund our war effort. At the same time, it cuts defense spending by \$6.6 billion in budget authority and another \$4.6 billion in outlays. Again, it asks to do that at a time when our men and women in uniform are in harm's way.

Again, I want to thank the sponsors because it is a dramatic difference, but for all those reasons I would obviously urge a "no" vote.

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

Mr. WATT. Mr. Chairman, tell us, how much time remains?

The Acting CHAIRMAN. The gentleman from North Carolina (Mr. WATT) has 17½ minutes remaining, and the gentleman from Florida (Mr. MARIO DIAZ-BALART) has 13 minutes remaining.

Mr. WATT. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I take it that the gentleman from Florida just spent 7 minutes telling the American people that for the people who make over \$200,000 a year, how much of a tax benefit they are giving them, because all of the things he described adds up to the tax benefit that these people are getting. And I appreciate the gentleman's doing that.

Mr. Chairman, I yield for the purpose of making a unanimous consent request to the gentleman from Illinois (Mr. DAVIS).

(Mr. DAVIS of Illinois asked and was given permission to revise and extend his remarks.)

Mr. DAVIS of Illinois. Mr. Chairman, I rise in support of the Congressional Black Caucus budget.

The problem of successfully reintegrating ex-offenders back into normal life is one of the major issues facing low income and minority communities throughout the Nation. This problem continues to fester throughout the United States of America. It is indeed a social as well as a public safety issue.

Nearly 650,000 people are being released from federal and state prisons this year. There are over 3,200 jails throughout the United States, the vast majority of which are operated by county governments. Each year, these jails will release in excess of 10,000,000 people back into the community. We will continue to have these massive releases over the next several years. The massive increase in incarceration in the United States that occurred during the past 25 years must now turn public attention toward the consequences of incarceration without providing meaningful rehabilitation measures and access to reentry programs and opportunities.

As we know, these large numbers of ex-offenders being released from prison will cause enormous public safety problems for many communities, especially where large numbers of ex-offenders will return and live in the same neighborhoods. The Justice Department reported that the cost of crime to victims is approximately \$450 billion. Therefore, these communities will absorb the high cost of further victimization as a result of the presence of such a high number of ex-offenders.

The Congressional Black Caucus (CBC) is concerned about the Administration not requesting or adequately funding the Edward Byrne Memorial Justice Assistance Grant Program, Residential Substance Abuse Treatment Program, Gang Prevention, Juvenile Accountability Block Grant, Juvenile Delinquency Block Grants and other programs.

The Congressional Black Caucus recommends increasing the funding level up to \$3.1 billion for justice programs and to expand the reentry programs for nonviolent ex-offenders to facilitate their transition from prison to normal community life. The CBC wants to ensure that specific programs are receiving adequate funding to prevent crime, increase public safety and reduce recidivism.

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

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

Mr. GENE GREEN of Texas. Mr. Chairman, I rise in opposition to the budget resolution.

The budget is a reflection of this country's priorities.

According to this budget, however, our priorities are not sound.

This budget prioritizes deficits over balanced budgets, and tax cuts over the health and education of the American people.

By eliminating 42 education programs, the budget disappoints our children and wastes our opportunity to invest in their future.

It hurts low-income students' shot at the American Dream by wiping out the GEAR-UP program that prepares them for college.

It threatens our future economic competitiveness by eliminating the vocational education programs that help our students gain the skills to compete in a global economy.

It abandons health care research by cutting the budgets of 18 out of 19 institutes within the National Institutes of Health.

It cuts programs aimed at preventing illness and disease while also slashing programs that train health professionals to treat these diseases.

Without doubt, sacrifices must be made to successfully implement the war on terror and equip our troops.

But war costs are not even included in this budget, and the cuts on the domestic side are doing nothing to reduce our deficit.

In fact, this budget puts us on a path to post a deficit of \$348 billion for 2007—one of the largest deficits in our nation's history.

Mr. Speaker, we have a Democratic substitute before us that reflects America's true values and would avoid the fiscal train-wreck that we're currently facing.

Mr. SPRATT's amendment puts us on the path toward balanced budgets and would achieve a balanced budget in 2012.

It implements common-sense budget enforcement rules that require the cost of any new mandatory spending or tax legislation to be fully offset.

By exercising fiscal discipline, the Spratt proposal would achieve balanced budgets while keeping our commitments to the health and education of the American people.

It would increase our country's investment in education by \$4.6 billion and adequately fund our health care priorities—including medical research at the National Institutes of Health and the Centers for Disease Control.

It also keeps our promise to our country's veterans by rejecting the administration's proposal to increase health care fees on military retirees enrolled in TRICARE.

There's no question that the Spratt substitute strikes the best, most practical balance between maintaining fiscal discipline and funding national priorities.

I urge my colleagues to stand up for American values, get our fiscal house in order, and put our nation back on track by opposing this budget resolution and approving the Spratt substitute.

Mr. WATT. Mr. Chairman, I yield 4½ minutes to the gentleman from Virginia (Mr. SCOTT).

Mr. SCOTT of Virginia. Mr. Chairman, the Congressional Black Caucus's budget is one that is fiscally responsible and aimed at reducing disparities in America communities. The CBC alternative is proof that even modest changes can result in tremendous outcomes.

A top priority of the CBC is addressing the exploding deficit. We believe that if we do not control the budget today, we will not be able to afford Social Security and Medicare in the future. Our fiscal responsibility produces a balanced budget in 5 years. In fact, our budget will have a surplus of \$2.3 billion in fiscal year 2011. Furthermore, it improves the deficit by an aggregate \$313 billion and results in savings of \$10 billion in interest alone compared to the Republican budget.

We did this by returning to the tax structure similar to the one we had

during the 1990s when the economy was strong, we created 20 million jobs, and the stock market was doubling every 5 years. But the rollback in tax cuts only affects that portion of an individual's income that exceeds \$200,000. Our revenue is used for critical spending and deficit reduction.

The CBC alternative is committed to making America more secure by supporting our military, investing in homeland security, and caring for our veterans. It also adds to our security by funding initiatives such as juvenile crime prevention programs and prisoner reentry programs.

Some of the funding for national security, urgent homeland security needs, and veterans programs comes from a \$9.4 billion reduction in ballistic missile defense, better known as Star Wars. A portion of these funds has been reallocated to protect our troops in Iraq, increase the Army's troop level, maintain current National Guard strength, and provide an additional \$1 billion for Navy ship building. Another portion of these funds is allocated to address the vital homeland security needs, including port security grants. We provide an additional \$20 billion to improve veterans program. We believe that the sum of all these initiatives will make us more secure as a Nation.

On the domestic side, the CBC alternative builds for America's future and addresses domestic challenges by adding \$80 billion to education and job-training programs. It also provides more funding for health care, social services, transportation, and scientific research.

The CBC alternative recognizes that it is the responsibility of the government to assist in natural disasters that devastate an entire region of our Nation. The CBC budget, therefore, provides the funding for school and college reconstruction and housing in the Gulf Coast and increased funding for the Army Corps of Engineers. And furthermore, Mr. Chairman, the Gulf Coast area shipyards will benefit from the \$1 billion in funding for Navy ships.

□ 2100

Mr. Chairman, another way of looking at the differences between the CBC alternative and the Republican budget is to start with the CBC budget and work backwards. In other words, what would you have to do to the CBC budget in order to get to the Republican budget?

Well, first, you would have to repeal pay-as-you-go budgeting. Then you would have to cut Army body armor and personal support equipment for our troops in Iraq. We would have to decrease the Army's troop level, reduce the National Guard strength, eliminate \$1 billion out of Navy shipbuilding, decrease port security and rail security grants, remove Federal air marshals, delay first responder grants and cut \$20 billion out of veterans programs, all to fund Star Wars and partially fund the Republican tax cuts for those with incomes over \$200,000.

Next you would have to cut \$80 billion out of education and job training, \$20 billion out of health care, and reduce funding for housing, community services, NASA research, Amtrak, the Coast Guard, college financial aid, NIH funding, foster care, Low Income Home Energy Assistance, housing, Medicare, juvenile justice and law enforcement grants, all to fund a portion of the tax cuts going to those with incomes over \$200,000.

Third, you would have to borrow approximately \$300 billion, mostly from foreign governments, to fund the rest of the tax cuts for the wealthiest in our society. And at the end of 5 years, you would have to move from our \$2.3 billion surplus in the CBC budget to the \$163 billion deficit in the Republican budget. Mr. Chairman, that indeed would be working backwards.

We have worked tirelessly to create a budget that is fiscally responsible and recognizes the needs of the American communities around the country. It is fiscally sound, protects and promotes the best values of America, and I urge my colleagues to support this amendment.

Mr. MARIO DIAZ-BALART of Florida. Mr. Chairman, first I yield myself 15 seconds to clarify something.

The gentleman just said that only the wealthy would pay. Here is a board that I showed. There aren't enough wealthy people in the United States to pay this amount of new taxes, and if they can't pay for it, who is going to pay for it? The American people are going to pay for it.

Mr. Chairman, I yield 5 minutes to the distinguished gentleman from California (Mr. CAMPBELL).

Mr. CAMPBELL of California. Mr. Chairman, I thank the gentleman from Florida for yielding.

You know, Mr. Chairman, there are some things we know about this budget proposal and some things that we don't know. We know that it raises taxes. We know that it raises taxes by a bunch. We know that it is about \$100 billion a year, or half a trillion dollars over 5 years; that it raises taxes. What we don't really know is what taxes and for how much.

Now, the gentlemen across the aisle have indicated that it is their intention to raise taxes on those making \$200,000 or more.

Mr. WATT. Mr. Chairman, will the gentleman yield?

Mr. CAMPBELL of California. I yield to the gentleman from North Carolina.

Mr. WATT. I made no such intention. You characterized it that way. I have never characterized it as raising taxes. We are rescinding the tax cuts on income over \$200,000.

I really appreciate you all continuing to point out to the American people how much that represents when you look at it and to say that we don't have enough rich people in the country to do that.

Mr. CAMPBELL of California. Reclaiming my time, it is funny. If I am

taxing you at 15 percent and then I tax you at 30 percent, I would think that most people would think that was an increase. I don't know how anyone would say that is not an increase. Four is more than three. Five is more than four. Thirty percent is more than 15 percent. Twenty percent is more than 15 percent. So you can call it anything you like, but it is in fact a tax increase.

So my question is for you, which you can answer later, but have you done any computations as to how you are going to tax?

Mr. WATT. Mr. Chairman, if the gentleman would yield, I would like to answer the question.

Mr. CAMPBELL of California. I would like to finish my remarks at this time, if I could, thank you.

How you are going to tax people with \$200,000 or more income? What rate are you going to go to to raise this kind of money? So we know it is going to tax a lot. We don't know exactly how. We also don't know, because we don't know exactly how, what effect that is going to have on the economy.

We can talk a lot about tax increases and so forth, but the fact is that since the tax decreases of 2003, revenue to this government has increased substantially. We are tracking nearly a 12 percent increase this year after a 15 percent increase last year, and the rate since 2003 of increased revenues to the government is substantially higher after the tax rate reduction of 2003 than it was after the tax increases of the early 1990s.

You might find this hard to believe, but that is the way economics works. Sometimes when a business lowers the price of a product, people buy more of it and they actually make more money.

What has happened here is exactly that. We have lowered taxes, and the economy has increased, the economy has grown, and more total dollars are coming into the Federal Government. So we know taxes will be increased, but we don't know how much this is going to depress the economy. But it will.

Therefore, even though you may increase taxes at the rate of \$100 billion a year, you will not see \$100 billion a year revenue, because we know also the computations show that the tax decreases we have had already actually resulted in increased revenue.

The other thing we know that it does is it spends more money. The gentleman from Virginia outlined a bunch of things, most of which sounded to me as though it was discretionary spending increases, I believe, which means that if I am doing the math correctly, we are looking at discretionary spending increases of about 7 percent just in one year, 7 percent every year, which, if you keep that going with the entitlement increases which are already there, and there is no entitlement reform to deal with those, it is so perplexing to me that you introduce a budget on the basis of it being fiscally

responsible and balancing, and then you propose to increase spending along the way, and increase spending by as much as 7 percent a year on discretionary spending.

That is not how you balance budgets. That is not how you get things back in line, by increasing spending.

Also, there was a discussion of smoke and mirrors. Well, the other thing that was included in the committee's budget was a reserve for natural disasters, which I believe you now have added to your budget here just recently, but there is an additional reserve we have for the war, the prosecution of the war in Afghanistan and Iraq.

Now, you may not agree with that war, and that is not the issue we are discussing today, but even if you were to terminate, decide you were going to immediately withdraw from both Iraq and Afghanistan, there will be additional supplemental expenditures going into next year even to do that. So by not including that, you are not including some additional spending, which is going to happen and is not included in your budget which is included in the committee's budget.

So, in summary, I think we are looking at higher taxes, less economic growth, more spending, and I would argue, when computed properly, higher deficits.

Mr. WATT. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I would just submit to the gentleman that I would rather educate my children than give a tax cut to people on income over \$200,000. I hope he agrees with me.

Mr. Chairman, I yield 1 minute to the gentleman from Louisiana (Mr. JEFFERSON).

Mr. JEFFERSON. Mr. Chairman, I thank the gentleman for yielding.

Mr. Chairman, not only does the Black Caucus budget restore fiscal discipline and fund important programs, of personal significance to me and to my constituents and the millions of Americans along the gulf coast whose lives are turned upside down by Hurricanes Katrina and Rita, the CBC budget acknowledges a reality that the Republican budget ignores.

ANNOUNCEMENT BY THE ACTING CHAIRMAN

The Acting CHAIRMAN (Mr. SHIMKUS). Visitors in the gallery should remain quiet.

The gentleman from Louisiana may proceed.

Mr. JEFFERSON. Mr. Chairman, that reality is that recovery is a long-term effort. Recovery in New Orleans will not be achieved in a single fiscal year, and it should not be accomplished with emergency appropriations.

There are a number of pieces of the recovery that we know will take time to achieve, for example, enhancing the levees and flood protection systems along the gulf coast, and restoring homes and businesses. The Army Corps of Engineers has told the Congress repeatedly that this project will take from 5 to 7 years to complete; and yet

not only does the Republican budget provide no funding for this project, it actually cuts overall funding for the Corps of Engineers at a time of extreme need. By contrast, the CBC provides significant additional funding to enhance our hurricane and flood protection systems back home.

The Republican budget starves housing programs at a time when along the gulf coast we are facing the gravest housing crisis in our Nation's long history. The CBC budget recognizes the need for a long-term commitment to solving our housing crisis confronting thousands of Americans across Mississippi and Louisiana and provides significant resources for this critically needed project in our area.

Mr. Chairman, the budget of the United States government should reflect the values and the priorities of the American people. After all, as our nation's first Republican President described it, the government of our great country is supposed to be a "government of the people, by the people, for the people." The Republican budget before us today, however, ignores the needs of the vast majority of the American people in order to preserve tax benefits that overwhelmingly benefit very few, very wealthy Americans. In other words, the priority of the Republican budget seems to reflect a devotion to taking care of those with the most, while overlooking those with the greatest need.

The preparation of the federal budget by Congress is similar to a family's preparation of its household budget. In order for it to succeed, priorities must be set, and discipline must be exercised. Too often, however, discipline is sacrificed to the pleasures of the moment. In Washington, we call the consequences of such behavior budget deficits. In our households, we call those consequences debt. Neither is good—for the country or for our families.

As a reflection of our nation's priorities, the Republican budget resolution that we debate today is a clear demonstration of just how fundamentally the Republican majority misunderstands the needs of the American people. It is fiscally reckless, morally bankrupt, and utterly devoid of the type of economic discipline and leadership that the nation requires—a budget that sets yet another record budget deficit and threatens to unravel completely the social safety net that protects the least among us in the places where the need is greatest.

The Republican budget resolution continues to drive our nation's budget deficit higher; fails to protect Social Security and Medicare; underfunds education; makes damaging cuts to community and regional development programs, income security programs, the Earned Income Tax Credit, child care and foster care programs, and nutrition programs; cuts veterans programs while simultaneously imposing new fees on veterans for current services; and includes harmful cuts to Medicaid, thereby jeopardizing health care for over 52 million children, parents, seniors and disabled individuals who rely on the program for their healthcare.

In sum, the Republican budget we are considering today offers the most to those who need the very least and takes the most from those who can least afford it.

During debate of this budget, I have heard a great deal of rhetoric about hard choices

and shared sacrifice. However, it seems that the only choice my Republican friends have made is the easiest one a politician can make—to continue to cut taxes, however fiscally irresponsible perpetuating them may be. With respect to shared sacrifice, the evidence leads me to the unavoidable conclusion that the only sacrifices in this budget are being borne by the poor, the elderly on fixed incomes, the infirm, children and students. Accordingly, in the Bizarro world of the Republican budget, those with the least are compelled to sacrifice the most, while those with the most are not asked to sacrifice at all. That formula certainly does not reflect my priorities; nor, I am confident, does it reflect the priorities of the American people.

In one of his great parables, Jesus once said, "when you give a banquet, invite the poor, the crippled, the lame, the blind, and you will be blessed." If you compare this budget to the great banquet He described, in this budget, there are place cards and a sumptuous feast for the Forbes 400 and the Fortune 500, for the rich and the powerful—but, like Lazarus at the rich man's gate, the economically disenfranchised, the working families struggling to make ends meet, the students trying to get the education they need, those whose lives of poverty shocked the conscience of the nation when Hurricane Katrina exposed the straits so many grapple with daily in this wealthiest country in the world—they will be lucky to get even the scraps that fall from the table this budget constructs.

By contrast, my friend from South Carolina, the ranking Democrat on the House Budget Committee, and the Congressional Black Caucus have offered two alternatives to the Republican budget that are fiscally responsible while meeting the real needs of the American people.

Both alternatives restore fiscal discipline, protect Social Security, narrow disparities for minorities in healthcare, education and wealth creation, and fund national priorities like education, veterans' programs, and community development programs.

The Democratic substitute achieves a balanced budget in 7 years, by 2012, all the while balancing fiscal responsibility with the moral obligation to maintain the social safety net for Americans in greatest need.

The CBC budget alternative achieves balance even earlier, by 2011, and yet still makes great progress toward narrowing the growing disparities in America's communities by focusing on education, health care, economic opportunity, justice, and retirement security. It fully funds the President's No Child Left Behind Act (NCLB); provides an extension for the Head Start Program; increases federal funding for Historically Black Colleges and Universities and Hispanic Serving Institutions; enhances the Pell Grant allotment for college students; provides additional funding for the Minority Health Initiative and for Community Health Centers in urban and rural communities; increases assistance for job training, workforce development and adult education; funds home ownership programs; restores funding for Community Development Block Grants; and improves funding for law enforcement programs such as COPS.

Of personal significance to me, to my constituents and to the millions of Americans all along the Gulf coast whose lives were turned upside down by Hurricanes Katrina and Rita,

the CBC budget acknowledges a reality that the Republican budget ignores—that recovery is a long-term effort. Recovery will not be achieved in a single fiscal year, and it should not be accomplished through emergency appropriations. There are a number of pieces of the recovery that we know will take time to achieve, for example, enhancing the levees and the hurricane and flood protection systems along the Gulf coast. The Army Corps of Engineers has told the Congress repeatedly that this project will take from 5 to 7 years to complete, and yet not only does the Republican budget provide no funding for this project, it actually cuts overall funding for the Corps of Engineers at a time of extreme need. By contrast, the CBC budget provides significant additional funding to enhance our hurricane and flood protection system back home.

The Republican budget starves housing programs at a time when, along the Gulf coast, we are facing the gravest housing crisis in our nation's long history. Both the Democratic and CBC alternatives recognize the need for a long-term commitment to resolving the housing crisis confronting thousands of Americans in Louisiana and Mississippi and provide significant resources for that critically important effort.

In the face of a natural disaster that laid waste to colleges and schools all along the Gulf coast, the Republican budget turns a blind eye to both the immediate and long term needs for reconstruction and rehabilitation of our education infrastructure. By contrast, both the Democratic and CBC alternatives provide additional resources to meet those challenges.

Finally, Mr. Chairman, both these alternatives recognize the success and critical importance of community and regional development programs to our nation's economy and to the recovery of our economy back home. Both alternatives allocate additional monies to these programs, while the Republican budget significantly shortchanges CDBG and other programs despite tremendous support and real current and long-term needs.

For these reasons, I am proud to rise in strong support of both the Democratic and CBC alternatives and in fervent opposition to the Republican budget. I will continue to fight to ensure that the needs and values of the least among us—hard-working American families—are reflected in the legislation we consider in the Congress. A responsible budget is the first step towards building a future worthy of the trust of the American people; and the Democratic and CBC alternatives are a step in the right direction; the Republican budget resolution is, at best, a step backward.

Mr. Chairman, I thank the gentleman for yielding, and I thank the Black Caucus budget for what it does for my district back home.

Mr. MARIO DIAZ-BALART of Florida. Mr. Chairman, I yield myself 30 seconds.

We keep hearing from the gentlemen on the other side that they only want to raise taxes on those making over \$200,000. Well, the numbers just don't add up. In order to raise the amount of taxes they are talking about, which is, again, larger than the budgets for 1 year for just about all the countries in the Western Hemisphere, they would have to let all the tax cuts expire, including the child tax credit, et cetera,

et cetera, et cetera, and they would still have to find another \$63 billion in tax increases for everybody else as well. So that is what the numbers are.

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

Mr. WATT. Mr. Chairman, I yield 1 minute to the gentlewoman from Georgia (Ms. MCKINNEY).

Ms. MCKINNEY. Mr. Chairman, the Congressional Black Caucus budget is a better statement for our country's values. Educators are asking for a fully funded No Child Left Behind because America's children are being left behind; seniors deserve accessible health care, but Medicare part D is leaving everyone confused; and veterans are only asking to receive the health care that recruiters promised them and that they deserve. But, you know, Tupac observed a long time ago that there's money for war, but we can't feed the poor.

Sadly, a study done by the Pentagon estimated that Halliburton has received over 52 percent of the \$25 billion that it has paid to contractors. The study also shows that Halliburton presented questionable bills for nearly \$2 billion, lost prefabricated bases worth over \$75 million, and yet Halliburton still gets new contracts.

If this Congress wants to truly balance the budget and satisfy the needs of working Americans, it should vote to pass the Congressional Black Caucus budget.

Mr. MARIO DIAZ-BALART of Florida. Mr. Chairman, I yield myself 30 seconds.

Again, I just want to repeat that this amendment is such a huge tax increase that they would have to increase the child tax credit; the 10 percent bracket; the marriage penalty relief would go away, that tax cut; the education tax relief would disappear under their proposal; the pension reforms would disappear under their proposal; the AMT relief would disappear under their proposal; and they would even increase the death tax. Yes, even taxation with no respiration takes place in this amendment. It is a huge tax increase. And they cut defense while doing all those things. The numbers are there.

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

Mr. WATT. Mr. Chairman, I yield 1 minute to the gentleman from Alabama (Mr. DAVIS).

Mr. DAVIS of Alabama. Mr. Chairman, a minute gives me time to make one essential point: mark the time as 9:15 tonight, the first time anyone has mentioned that 3 hours ago the President of the United States signed a \$70 billion increase to the deficit that was enacted by this body 1 week ago, and it returns to your fundamental point about candor.

This document levels with the American people and the choices it makes, the CBC document. The document in opposition it us tonight and the RSC document do not level with the American people, because how do you defend

a document on the grounds of fiscal austerity and add \$70 billion to the deficit? It is the wrong set of choices, and it masks a retreat from all kinds of commitments, Mr. Chairman.

Mr. MARIO DIAZ-BALART of Florida. Mr. Chairman, I yield 2 minutes to the gentleman from California (Mr. CAMPBELL).

Mr. CAMPBELL of California. Mr. Chairman, if this budget levels with the American people, then level with the American people and tell them what taxes you are going to raise. Tell them who you are going to raise it on, tell them how much you are going to raise it.

Mr. WATT. Will the gentleman yield?

Mr. CAMPBELL of California. Sir, I am only taking a minute and a half. You can respond at that time, because I have several other questions.

Tell them who you are going to raise it on, what rates they are going to be and what effect those are going to have on the economy.

Again, level with the American people on whether or not the spending that you have added to this thing increases the deficit or not, and level with the American people about whether or not you have accounted for the wars in Iraq and Afghanistan that are still going on, and level with the American people about whether or not you have included any reform of the entitlement programs that will soon eat up two-thirds of our entire Federal revenues and eventually eat up 100 percent of our Federal revenues; and level with the American people that that tax cut that the President just signed today, that increased time of those tax rates, has increased the economy in the United States and resulted in more revenue to the Federal Government and thereby reduced the deficit.

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Mr. WATT. Mr. Chairman, I yield 10 seconds to the gentlemen from Virginia.

Mr. SCOTT of Virginia. Mr. Chairman, the gentleman asked what is going to happen to the deficit. The red line is the Republican deficit year by year; the blue line is the CBC deficit year by year.

We end up with a \$2.3 billion surplus, while you are still \$163 billion in the ditch.

Mr. WATT. Mr. Chairman, can you tell us how much time remains?

The Acting CHAIRMAN. The gentleman from North Carolina has 9¼ minutes remaining. The gentlemen from Florida has 5¼ minutes remaining.

Mr. WATT. Mr. Chairman, I yield 1 minute to the gentlewoman from California (Ms. LEE).

Ms. LEE. Mr. Chairman, I rise today in strong support of the Congressional Black Caucus budget and in opposition to the Republican budget.

The Republican budget falls short on every account, especially when it comes to our defense priorities. The

CBC budget reallocates \$9.4 billion from an unworkable missile defense program and puts it into real security priorities like making sure that our troops have enough body armor, like ensuring that our veterans have enough access to benefits, and like securing our ports.

This substitute takes a first step at combating the enormous problems of waste, fraud and abuse at the Pentagon. GAO has concluded that one-third of the recommendations made to DOD on waste, fraud and abuse in the last 5 years has saved \$40.8 billion by implementing them. Imagine how much would be saved and put into education, into health care, into job creation, into creating a liveable world for our communities here in America and abroad, if, in fact, the rest of these recommendations are implemented.

This substitute would require the Defense Department to work on eliminating waste, fraud and abuse immediately. Our national security priorities are taken very seriously in this budget. Let us support the Congressional Black Caucus budget.

Mr. MARIO DIAZ-BALART of Florida. Mr. Chairman, I yield myself 30 seconds.

Mr. Chairman, this is very simple. If you think that we should eliminate the child tax credit and raise those taxes on child credit, support this amendment. If you believe that we should eliminate the 10 percent bracket, support this amendment. If you believe that the marriage penalty should be increased, that the tax on marriage should be increased, vote for this amendment.

If you do not believe in the education tax relief, vote for this amendment. If you do not want the pension reforms that we have that have taken place, vote for this amendment. If you support not relieving the AMT, support this amendment. And if you believe that people should pay taxes even after they are dead, support this amendment. If you believe also that we should cut defense, support this amendment.

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

Mr. WATT. Mr. Chairman, I yield 1 minute to the gentlewoman from the Virgin Islands (Mrs. CHRISTENSEN).

Mrs. CHRISTENSEN. Mr. Chairman, I rise to express my strong support for the fair, balanced, responsible, compassionate and patriotic Congressional Black Caucus budget, and with no apology for not giving the wealthy any more tax cuts and using that money instead for our children, our ill and our poor.

Mr. Chairman, just looking at health care where the Republican budget reduces access to health care through cuts to Medicaid and SCHIP, ours restores funding for our children and our poor.

Where their budget underfunds HIV/AIDS, mental health and substance abuse programs, we ensure these important services continue to enable all

of us in our country to be the best we can be.

Where the Republican budget cuts help for veterans training that would ensure the diverse and robust workforce this country needs, the CBC maintains and opens up this pipeline. We add or restore funding to many programs important to all Americans, Healthy Start, Rural Health, Gulf Coast health infrastructure repair, NIH research to improve everyone's health. We further strengthen the Office of Minority Health and others that promote wellness and help families and communities.

The strength of our country depends on the health of our people, our economic well-being, a well-equipped staff and paid military, adherence to our founding values and commitment to freedom and opportunity for all. Mr. Chairman, that is what the CBC budget supports. It does so bringing us back into balance way ahead of the Republican budget. I urge its passage.

Mr. MARIO DIAZ-BALART of Florida. Mr. Chairman, I yield myself 15 seconds.

For the record, our budget has no cuts in SCHIP or Medicaid whatsoever. Get the record straight. It is not there. We also have no cuts in defense. Their amendment does cut defense radically.

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

Mr. WATT. Mr. Chairman, I yield 1 minute to the gentlewoman from Florida (Ms. CORRINE BROWN)

(Ms. CORRINE BROWN of Florida asked and was given permission to revise and extend her remarks.)

Ms. CORRINE BROWN of Florida. Mr. Chairman, breaking news: 77 percent of the American people said that the Republicans are leading us in the wrong direction.

The CBC once again created a budget that truly meets the needs of the American people. This budget fully funds Leave No Child Behind; restores \$70 million in cuts made to Medicare; adds \$4.5 billion in benefits and services for veterans; provides increased funding for public transportation, the Coast Guard, and ports and rail security; closes corporate tax loopholes; and keeps U.S. companies from sending jobs overseas, all while balancing the budget by 2011 and saving \$10.5 billion on national debt interest payments.

The CBC budget is the responsible budget that truly meets the needs of the American people. Shame on the Republican leadership for once again pushing a budget to help their country club friends and giving the hard-working American people the shaft. Vote for the CBC budget.

Mr. MARIO DIAZ-BALART of Florida. Mr. Chairman I reserve the balance of my time.

Mr. WATT. Mr. Chairman, I yield 1 minute to the gentlewoman from Michigan (Ms. KILPATRICK).

Ms. KILPATRICK of Michigan. Mr. Chairman, I thank our chairman for yielding to us. The Federal budget is

\$2.8 trillion. Ways and Means takes two-thirds of that. This budget is some \$800-, nearly \$900 billion. CBC's budget is within that. We pay as you go. We also invest in families, in health care, in education, in schools, in veterans health.

Mr. Chairman, it is the only budget that will be before you tonight that addresses the families in America. Vote for the CBC budget. It is the budget that will restore and make sure that our families are strong. We have put a lot of time and attention in this. I want to commend Congressman SCOTT from Virginia and our own Chairman WATT. The CBC budget is sound, it is fiscal, and it strengthens America's families.

A top priority of the CBC is to address the exploding budget deficit. If we do not control the budget today, we will not be able to afford Social Security and Medicare in the future.

The CBC Alternative brings the budget into balance in 5 years and generates a surplus of \$2.3 billion by FY 2011.

Improves the deficit by a cumulative total of \$313 billion and results in a savings of \$10.5 billion in interest on the national debt.

The CBC Budget achieves fiscal balance by aligning our spending and tax policies on a glide path that restores the financial future health of the country.

It establishes PAYGO as a House rule, so we will avoid spending what we do not have. We must be realistic and include revenues and spending in any effort to bring our deficits under control. PAYGO does that. Ignoring PAYGO ignores the successful formula that brought us balanced budgets in the last half of the 1990s.

It reduces funding for Ballistic Missile Defense, so we can increase funding for homeland security, veterans programs, and honor our commitment to our troops and their families.

The CBC Budget reflects American values by investing in the security of our Nation, providing the health care for our veterans and supporting our troops who serve on the front lines.

It increases funding for homeland security needs to provide for port security grants, interoperable communications systems for first responders, the Centers for Disease Control and Prevention, and enhanced aviation security.

It invests in other domestic priorities such as juvenile crime prevention, prisoner re-entry programs, restores cuts the Republican budget proposes in veterans' health care and improves benefits to the survivors of veterans.

For all the President's talk about free trade, the CBC budget help those who are dislocated by our trade policies by providing \$80 billion more in education and job training, and \$20 million more for health care. It provides satisfactory levels of funding for Amtrak, Hope VI and Section 8 housing programs, and the Low-Income Home Energy Assistance Program.

My Republican friends are saying that their budget exercises fiscal constraint. Any budget that contains more tax expenditures than cost savings is not an exercise in fiscal responsibility. Last year we enacted \$38 billion in spending cuts in one reconciliation bill, but cut taxes by another \$70 billion in another reconciliation bill. The Republican budget follows

that same formula. That is not the pathway to fiscal sanity.

Support the CBC Budget Alternative.

Mr. MARIO DIAZ-BALART of Florida. Mr. Chairman, we reserve the balance of our time.

Mr. WATT. Mr. Chairman, can you tell us how much time remains?

The Acting CHAIRMAN. The gentleman from North Carolina has 5½ minutes remaining. The gentleman from Florida has 4½ minutes remaining.

Mr. WATT. Mr. Chairman, I yield 1 minute to the gentlewoman from Texas (Ms. JACKSON-LEE).

(Ms. JACKSON-LEE of Texas asked and was given permission to revise and extend her remarks.)

Ms. JACKSON-LEE of Texas. Mr. Chairman, let me thank Chairman WATT, and, of course, let me thank Congressman SCOTT for his excellent work, and all of the Members of the Congressional Black Caucus.

Mr. Chairman, I have not heard the theme of priorities being addressed on the floor of the House today. That is what the CBC budget represents. I would like to be standing here for working Americans, middle-class Americans.

With the CBC budget, we save \$10.5 billion more in interest. That money goes into the pockets of working Americans. We cut the trillions and trillions and trillions of dollars of deficit, and we are able then to cut, if you will, the kinds of insidious, insidious, eliminate cuts on the budget that hurt the people of America.

I like the CBC budget because, in fact, it provides the opportunity to eliminate the \$6 billion cuts that you make on veterans health care, or the \$6 billion cuts that you make over 5 years on homeland security.

Mr. Chairman, it restores the moneys to Head Start. It restores the money to Pell Grants. It restores the money to provide better health care for Americans. And, yes, it provides \$10.5 billion of interest back in the pockets of Americans.

Vote for the CBC budget. It balances the budget, but most importantly it stands for working Americans.

Mr. MARIO DIAZ-BALART of Florida. Mr. Chairman, this side has this right to close? I want to make sure that that is correct.

The Acting CHAIRMAN. The member of the committee in opposition has the right to close.

Mr. MARIO DIAZ-BALART of Florida. Mr. Chairman, we reserve the balance of our time.

Mr. WATT. Mr. Chairman, would the Chair repeat what he just said?

The Acting CHAIRMAN. The gentleman from Florida has the right to close.

Mr. WATT. Can I make a parliamentary inquiry as to why that is the case? It is our amendment.

The Acting CHAIRMAN. The gentleman from Florida is manager in opposition to the amendment. Under

clause 3(c) of rule XVII, the manager in opposition has the right to close.

Mr. WATT. Mr. Chairman, I yield 1 minute to the gentlewoman from Ohio (Mrs. JONES).

Mrs. JONES of Ohio. Mr. Chairman, I would like to commend my chairman, MEL WATT, for the work that he has done in this area, and particularly my colleague BOBBY SCOTT from Virginia for all of his work.

Mr. Chairman, I want to focus on one particular area, and that is the provision in the CBC budget that doubles training funds for trade adjustment assistance programs to \$518 million.

This program was established in 1962, and it assists workers who have lost their jobs due to international trade by providing unemployment and job training. We keep hearing from the Republican side that unemployment is down and dollars are up, but in my congressional district, there are areas where unemployment is significant, and specifically due to trade.

Mr. Chairman, I ask all of you to join us in supporting this CBC budget that provides for job training and unemployment assistance for those workers who would love to pay taxes if they only had a job.

Mr. Chairman, the Congressional Black Caucus budget is fiscally responsible and protects the services that millions of hard working Americans depend on.

The CBC alternative balances the budget in five years, and adopts the pay-as-you-go budget rules.

At the same time, our budget increases spending for health care by \$20 billion, education and job training by \$80 billion, and veteran benefits by \$20 billion.

That is fiscal responsibility—balancing our checkbook without cutting the important services that millions of Americans depend on.

One provision in the CBC budget that I strongly support is the doubling of training funds for the Trade Adjustment Assistance (TAA) program to \$518,000,000.

The program, which was established in 1962, assists workers who have lost their jobs due to international trade by providing unemployment benefits and job training.

However, many states exhaust their TAA training funds well before the end of the fiscal year.

In its past three budgets, the Administration has only requested an increase for TAA training of only \$100,000.

That is unacceptable and insufficient when measured against the number of jobs being lost due to international trade.

I urge my colleagues to support this TAA provision and the CBC budget—fiscally responsible while at the same time fair to millions of hard working Americans.

Mr. MARIO DIAZ-BALART of Florida. Mr. Chairman, I reserve the balance of our time.

Mr. WATT. Mr. Chairman, I yield 1 minute to the gentlewoman from Texas (Ms. EDDIE BERNICE JOHNSON).

Ms. EDDIE BERNICE JOHNSON of Texas. Mr. Chairman, let me thank the chairman of the Congressional Black Caucus, most especially Mr. SCOTT, for their unwavering support for the devel-

opment of the CBC alternative budget that encompasses progressive and visionary funding motivated by principle and compassion.

The CBC alternative understands that our Nation's transportation system is the backbone of our economy and our way of life, either of which we cannot afford to shortchange. The CBC budget increases funding for public transportation, Amtrak, the FAA's airport improvement program, and other vital infrastructure programs crucial to ensure a stable economy.

The CBC alternative supports greater competitiveness in science and technology. As a senior member of the Science Committee, I feel it is important to invest in our children's future. Federal entitlements such as NASA and the National Science Foundation need funding to inspire today's youth so that we can have a future in research.

I ask, Mr. Chairman, that Members of this body listen to their conscience. We are in a position to prevent funding atrocities to infiltrate and demise progress. The Nation's budget cannot be based on one party's sole agenda. We cannot allow societal factors to divide us in irresponsible spending or unconscionable tax breaks to define us.

Mr. Chairman, I want to thank the Chairman of the Congressional Black Caucus, Mr. WATT, and Mr. SCOTT for their leadership and unwavering support for the development of this alternative budget. I also would like to thank all the members of the CBC and their staff for their help in completing this very important task. I appreciate and applaud their efforts on issues important to all of us.

The CBC alternative budget prioritizes the importance of social justice by advocating for the forgotten poor and more specifically addressing the needs of African Americans and other neglected minorities. The CBC alternative budget is filled with progressive and visionary funding and is motivated by principle and compassion.

It is a budget that voices the concerns and needs of the poor, the children and the elderly that have been so easily set aside by this administration.

The shortsightedness of the Republican budget mirrors that of its drafters. The Republican budget "borrows from future generations to pay for today's unconscionable tax cuts and irresponsible deficit spending. It offers a \$372 billion deficit in 2006 and \$348 billion in 2007, and \$1.1 trillion worth of deficits over five years.

The Republican budget proposal ignores the needs of Texans and all hard working Americans and places the burden of the offset on their shoulders. It reduces taxes for the wealthiest Americans and slams the door on economic opportunity for working families. It reduces veterans' health care by \$6 billion, education by \$45.3 billion, public health by \$18.1 billion, and environmental protection by \$25.0 billion. They also include \$6.8 billion in reconciliation cuts to mandatory programs.

The CBC alternative understands that our Nation's transportation system is the backbone of our economy and a way of life, either of which, we cannot afford to shortchange. The CBC budget increases funding for public

transportation, Amtrak, the FAA's Airport Improvement Program, and other vital infrastructure programs crucial to ensure a stable economy.

The CBC alternative supports greater competitiveness in science and technology. As a senior Member of the House Science Committee, I feel it is important to invest in our children's futures. Federal entities such as NASA and the National Science Foundation need funding to inspire today's students and produce tomorrow's researchers. The science budget funds our scientific and engineering workforce, supports teacher enrichment programs, and helps inspire future generations of researchers. Our Nation's future depends more and more on the quality of our innovative ideas. The fruits of these investments meet vital national needs and improve the quality of life for all Americans.

The CBC alternative budget also provides funding for the minority health initiative, health insurance for the uninsured, child nutrition programs, job creation programs under the SBA, the extension of unemployment insurance benefits and eliminating the disabled veteran's tax. It provides \$80 billion over the next five years for education and job training programs and provides over \$20 billion more for health care programs than the Republican budget. It also provides \$6 billion more on community and regional development which encompasses job creation programs under SBA, community and regional development programs, nutritional programs, Hope VI and Section 8 Housing Programs, Low-Income Home Energy Assistance, and housing for the disabled and the elderly.

I ask, Mr. Chairman, that Members of this body listen to their conscience. We are in a position to prevent funding atrocities to infiltrate and demise progress. This Nation's budget cannot be based on one party's sole agenda. We cannot allow societal factors to divide us and irresponsible spending or unconscionable tax cuts to define us.

Mr. MARIO DIAZ-BALART of Florida. Mr. Chairman, may I inquire as to how many speakers the sponsor of the amendment has lined up still?

Mr. WATT. Mr. Chairman, if the gentlemen will give us some more time, we have a whole list of speakers over here. But we are going to run out of time before we run out of speakers, I can assure you.

Mr. MARIO DIAZ-BALART of Florida. Mr. Chairman, I thank the gentlemen for his answer. I will always try to accommodate him as much as possible to close.

Mr. WATT. Mr. Chairman, will the gentleman give us some time?

Mr. MARIO DIAZ-BALART of Florida. Mr. Chairman, let me see if I can work that out.

□ 2130

Mr. WATT. Mr. Chairman, I yield to the gentleman from Florida for a unanimous consent request because we don't have enough time.

Mr. HASTINGS of Florida. I thank the Chairman, and I rise in support of the CBC morally and fiscally responsible budget.

(Mr. HASTINGS of Florida asked and was given permission to revise and extend his remarks.)

Mr. WATT. Mr. Chairman, I yield 1 minute to the gentleman from New York (Mr. OWENS).

Mr. OWENS. Mr. Chairman, the CBC budget continues to clearly support education and job training as its number one priority. Over a 5-year period, \$80 billion in increased funding is recommended.

Everybody in Washington talks about the dangerous deficiencies in American education when compared with other industrialized nations and China. Twenty-three years ago when I came here, "A Nation At Risk" was the report commissioned by President Reagan, and it said all the same things about how deficient our education system was. Several recent studies also indicate these same kinds of deficiencies in math and science and other areas. Oprah Winfrey and Bill and Melinda Gates have taken this alarm to a mass audience.

The whining and complaining about education goes on and on here in Washington, but nobody wants to appropriate any money except the CBC.

Mr. Speaker, the future prosperity and security of our Nation is clearly dependent on our human resources, our brain power; and that brain power, large parts of it are in our inner cities' communities, and they need more funding for education. I urge all Members to vote for this CBC budget as the budget that deals with the priority of education.

Mr. MARIO DIAZ-BALART of Florida. I am trying to see, Mr. Chairman, if we can work out to give the sponsor a little bit more time. So with the indulgence of the Chair, I just want to make sure, I believe we have 4½ minutes on this side?

The Acting CHAIRMAN (Mr. SHIMKUS). The gentleman from Florida has 4½ minutes remaining.

Mr. MARIO DIAZ-BALART of Florida. At this time, we will reserve and thank you.

Mr. WATT. Mr. Chairman, how much time remains on our side?

The Acting CHAIRMAN. The gentleman from North Carolina has 1½ minutes remaining.

Mr. WATT. Mr. Chairman, I yield 1 minute to the gentleman from California (Ms. WATERS).

Ms. WATERS. Mr. Chairman, the CBC budget is the most fiscally responsible budget. It creates a balanced budget by eliminating the tax cuts for those earning more than \$200,000, and eliminates tax abuse shelters and corporate tax loopholes.

Unlike the Republican budget that underfunds education, the CBC fully funds No Child Left Behind. Unlike the Republican budget that cuts health care for programs including Medicare, the CBC budget provides \$20 billion for health care for the more than 45 million uninsured Americans. The CBC budget honors our veterans returning from Iraq by providing \$250 million more for veterans mental health programs and \$200 million for direct med-

ical services. Finally, it gives real meaning to protecting our homeland by providing an additional \$1 billion for port security, \$50 million for air marshals, and \$420 million for police and fire departments, the first responders to a disaster or terrorist attack.

The CBC budget is balanced and even creates a surplus by 2011. I urge my colleagues to reject the irresponsible Republican budget and adopt the CBC budget.

Mr. MARIO DIAZ-BALART of Florida. Mr. Chairman, what I would like to do, in an abundance of fairness, is cede 1½ minutes to the sponsors of the amendment with the huge tax increases on all the American people.

The Acting CHAIRMAN. Without objection, the gentleman from North Carolina will control an additional 1½ minutes.

There was no objection.

Mr. WATT. Would the Chairman tell me what that means I have left total?

The Acting CHAIRMAN. The gentleman from North Carolina has 2 minutes remaining.

Mr. WATT. Mr. Chairman, I yield 1 minute to the gentlewoman from California (Ms. WATSON).

Ms. WATSON. Mr. Chairman, this fits a well-worn routine: another year, another Republican budget awash in red ink, a reflection of the same failed priorities that have caused the Federal debt to balloon by \$3.5 trillion since President Bush took office.

Mr. Chairman, we often talk about the national debt and budget deficit as though they were abstract value-neutral terms. In fact, they are very real threats to the security, prosperity, and health of our Nation. The national debt is money borrowed from our children and grandchildren's future.

Furthermore, this budget slashes funding for the priorities critical to American families. Community health funding is cut by \$99 million. Renewable energy programs are cut to protect billions in tax giveaways to oil companies. And hundreds of thousands of veterans will face new health care fees.

Budgets are statements of what we value here in Congress, and this budget's lack of value should shame us all.

Mr. MARIO DIAZ-BALART of Florida. Mr. Chairman, at this time I would like to yield 1½ minutes to the gentleman from California (Mr. CAMPBELL).

Mr. CAMPBELL of California. Mr. Speaker, what I hear here and what I see here are four things: tax, spend, smoke, and mirrors.

Tax. We have seen, we have heard half a trillion dollars over 5 years, massive tax increase as yet not clearly defined, but a massive tax increase nonetheless.

Spend. Spending, that is, nearly a 7 percent increase in discretionary spending, that sort of spending which is unsustainable over time without constantly accelerating tax increases. So spending supposedly as the way to get us out of the deficit.

Smoke. Smoke to hide those things which are not addressed in the budget, such as the spending necessary for the war in Afghanistan and Iraq, and to deal with the ever escalating entitlement spending that we have going forth.

And mirrors used to make all of this look like somehow it is going to reduce the deficit over time, which I assure you, with the reduction to the economic growth that this will do and the additional spending that is in here and the lack of reform on any of that spending, I absolutely assure you, reducing the deficit is one thing this budget will not do.

Mr. WATT. Mr. Chairman, I yield myself the balance of the time.

I will let my colleagues and the American people determine what our budget does, but let me summarize it. The CBC budget balances the budget in 5 years, and is the only budget you are going to see on this floor tonight that yields a surplus at the end of 5 years instead of a deficit.

The CBC saves \$10.5 billion in interest on the national debt over that period. The CBC budget adopts the PAYGO rules which you all have forgotten about.

Even with those accomplishments, the CBC budget funds these important programs: \$80 billion more on education and job training, \$20 billion more on veterans benefits and services, \$20 billion more on health care, \$6 billion more on community and regional development including the gulf coast, and billions more on research, nutrition, and food programs. And where do we get it from? On that money that comes from people making over \$200,000 a year. We think these are higher priorities, and we are honest enough to tell you so.

Mr. MARIO DIAZ-BALART of Florida. Mr. Chairman, again there is a huge difference between our budget and this budget by the CBC, the prestigious Members of the Democratic Congress. They increase taxes on the American people by almost \$1 trillion over 5 years while cutting defense spending in a time of war.

To put it in perspective one more time, let us look at this. Look at all the countries south of Mexico, and excluding Florida, all the Caribbean, all of Central and South America. Their revenues, their expenditures over 1 year are smaller than the tax increases that this amendment proposes to impose on the hardworking American people over the next 5 years. That is the reality.

The bottom line is if you believe in massive tax increases large enough to fund the expenditures of all the countries in Latin America, if you believe in that, you would support this amendment.

If you believe that the American people are paying enough taxes, that we have got to use it more efficiently, and that we should not cut defense spending in a time of war, I would then urge

my colleagues to respectfully oppose this well-intentioned but devastating amendment to the American taxpayer and to the American economy.

Mr. CUMMINGS. Mr. Chairman, I rise today in opposition to the FY 07 Republican Budget Resolution, H. Con. Res. 376, and in support of the Congressional Black Caucus Budget Substitute.

Mr. Chairman, the Republican Budget sets a record—not for balancing the budget, lowering the deficit, or reducing our reliance on foreign debt—but for exceeding the callousness evident in President Bush’s Budget for America. This “compromise” is devoid of direction, balance and compassion.

It slashes K–12 programs, job training, Community Development and Social Services Block grants. It cuts veterans health care, the homeland security function; mandatory student loan spending and programs that help feed low-income elderly, mothers and children.

The sad truth is that all of these cuts are the sacrificial lamb for tax cuts for the wealthiest 1 percent of Americans. While many Americans are struggling under mounting debt and our country faces record deficits, this Budget funds another shameless \$228 billion in tax cuts over 5 years.

The CBC Alternative Budget offers a real budget for all Americans. It would balance the budget, restore pay-as-you-go principles and restore funding to critical programs; not by creating deficits, but by rescinding the tax cuts for those making over \$200,000, eliminating corporate tax incentives and closing corporate loopholes—all while eliminating waste, fraud and abuse.

I urge my colleagues to support the CBC Alternative Budget, which represents a return to fiscal discipline and responsibility and focuses our spending priorities on ALL Americans.

Mr. BISHOP of Georgia. Mr. Chairman, I rise today in strong support of the American people, and the Congressional Black Caucus’ Alternative U.S. Budget (CBC Budget).

Mr. Chairman, budgets are moral documents. They reflect in a very real sense, our deep beliefs, our priorities, and define us as a community and as a Nation. So it is with deep regret that, as people of conscience, we must rise against this attack on seniors, children, families, workers, and small business—against the Majority’s budget which levies an enormous cost on the backs of the majority of Americans, in order to benefit the wealthiest few among us.

Make no mistake about it—the majority’s budget is a reckless and unfair attack on most Americans. It exacerbates our national debt in an age when we have already squandered a \$5.6 trillion budget surplus and added \$3 trillion in debt. It freezes important domestic programs—reducing veterans’ health care by \$6 billion, education by \$45.3 billion, public health by \$18.1 billion, and environmental protection by \$25.0 billion—while also adding \$6.8 billion in reconciliation cuts to mandatory programs. It is outrageous, Mr. Chairman, and it’s simply un-American.

The CBC budget, which my office helped to draft, restores fiscal responsibility, balancing the budget in 5 years and creating a surplus of \$2.3 billion in FY 2011. It reduces the deficit by \$313 billion and saves \$10.5 billion in interest payments compared to the Majority’s budget. And it adopts PAYGO rules, so that Congress balances our checkbook just like most Americans do.

The CBC Budget adds \$32 billion in Education, Training, Employment and Social Services, \$1 billion in Natural Resources and Environment; and \$5.4 billion in Health programs. It increases security and critical investments for our homeland, for our troops, for rail and port security grants, cargo and air cargo screening equipment, first responders, federal air marshals, and the U.S. Centers for Disease Control and Prevention.

It funds juvenile justice and local law enforcement programs, while restoring cuts in veterans’ health care, enhances benefits to our veterans in survivor benefits, medical and prosthetic research, long-term care, and mental health care. It provides \$80 billion more for education and job training programs than the Republic budget over 5 years, including funding for No Child Left Behind and school construction. It funds the minority health initiative, child nutrition programs, job creation programs, community and regional development, Gulf Coast reconstruction, scientific research, transportation, Medicare, and a variety of greatly-needed housing initiatives.

Mr. Chairman, we have a historic opportunity before us, to help millions of Americans, and to turn back the clock on fiscal policies, the effect of which this Nation will endure for decades. I urge my colleagues to join in conscience, and adopt this CBC Budget.

The Acting CHAIRMAN. The question is on the amendment offered by the gentleman from North Carolina (Mr. WATT).

The question was taken; and the Acting Chairman announced that the noes appeared to have it.

RECORDED VOTE

Mr. WATT. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 131, noes 294, not voting 7, as follows:

[Roll No. 155]

AYES—131

Abercrombie	Ford	McNulty	Watt
Ackerman	Frank (MA)	Meehan	Waxman
Andrews	Green, Al	Meek (FL)	Weiner
Baca	Green, Gene	Meeks (NY)	Wexler
Baldwin	Grijalva	Millender-	Woolsey
Becerra	Gutierrez	McDonald	Wu
Berman	Harman	Miller (NC)	Wynn
Bishop (GA)	Hastings (FL)	Miller, George	
Bishop (NY)	Higgins	Moore (WI)	
Blumenauer	Hinchev	Moran (VA)	
Brady (PA)	Hinojosa	Nadler	
Brown, Corrine	Holt	Napolitano	
Butterfield	Honda	Neal (MA)	
Capps	Hoyer	Oberstar	
Capuano	Jackson (IL)	Olver	
Cardin	Jackson-Lee	Ortiz	
Carson	(TX)	Owens	
Cleaver	Jefferson	Pallone	
Clyburn	Johnson, E. B.	Pascarell	
Conyers	Jones (OH)	Pastor	
Crowley	Kaptur	Payne	
Cuellar	Kildee	Pelosi	
Cummings	Kilpatrick (MI)	Price (NC)	
Davis (AL)	Lantos	Rahall	
Davis (FL)	Lee	Rangel	
Davis (IL)	Levin	Rothman	
DeFazio	Lewis (GA)	Roybal-Allard	
Delahunt	Loifgren, Zoe	Ruppersberger	
DeLauro	Lowe	Rush	
Dingell	Lynch	Ryan (OH)	
Doggett	Maloney	Sabo	
Doyle	Markey	Sánchez, Linda	
Emanuel	Matsui	T.	
Engel	McCarthy	Sanders	
Eshoo	McCollum (MN)	Schakowsky	
Farr	McDermott	Scott (GA)	
Fattah	McGovern	Scott (VA)	
Filner	McKinney	Serrano	
			Aderholt
			Foley
			Forbes
			Fortenberry
			Fossella
			Fox
			Franks (AZ)
			Frelinghuysen
			Gallely
			Garrett (NJ)
			Gerlach
			Gibbons
			Gilchrest
			Gillmor
			Gingrey
			Gohmert
			Gonzalez
			Goode
			Goodlatte
			Gordon
			Granger
			Graves
			Green (WI)
			Gutknecht
			Hall
			Harris
			Hart
			Hastings (WA)
			Hayes
			Hayworth
			Hefley
			Hensarling
			Herber
			Herseth
			Hobson
			Hoekstra
			Holden
			Hooley
			Hostettler
			Hulshof
			Hunter
			Hyde
			Inglis (SC)
			Inslee
			Israel
			Issa
			Istook
			Jenkins
			Jindal
			Johnson (CT)
			Johnson (IL)
			Johnson, Sam
			Jones (NC)
			Kanjorski
			Keller
			Kelly
			Kennedy (MN)
			Kind
			King (IA)
			King (NY)
			Kingston
			Kirk
			Kline
			Knollenberg
			Kolbe
			Kucinich
			Kuhl (NY)
			LaHood
			Langevin
			Larsen (WA)
			Latham
			LaTourette
			Leach
			Lewis (CA)
			Lewis (KY)
			Linder
			Lipinski
			LoBiondo
			Lucas
			Lungren, Daniel
			E.
			Mack
			Manzullo
			Marchant
			Marshall
			Matheson
			McCaul (TX)
			McCotter
			McCrary
			McHenry
			McHugh
			McIntyre
			McKeon
			McMorris
			Melancon
			Mica
			Michaud
			Miller (FL)
			Miller (MI)
			Miller, Gary
			Mollohan
			Moore (KS)
			Moran (KS)
			Murphy
			Murtha
			Musgrave
			Myrick
			Neugebauer
			Ney
			Northup
			Norwood
			Nunes
			Nussle
			Obey
			Osborne
			Otter
			Oxley
			Paul
			Pearce
			Pence
			Peterson (MN)
			Peterson (PA)
			Petri
			Pickering
			Pitts
			Platts
			Poe
			Pombo
			Pomeroy
			Porter
			Price (GA)
			Pryce (OH)
			Putnam
			Radanovich
			Ramstad
			Regula
			Rehberg
			Reichert
			Renzi
			Reyes
			Reynolds
			Rogers (AL)
			Rogers (KY)
			Rogers (MI)
			Rohrabacher
			Ros-Lehtinen
			Ross
			Royce
			Ryan (WI)
			Ryun (KS)
			Salazar
			Sanchez, Loretta
			Saxton
			Schiff
			Schmidt
			Schwartz (PA)
			Schwarz (MI)
			Sensenbrenner
			Sessions
			Shadegg
			Shaw
			Shays
			Sherman
			Sherwood
			Shimkus
			Shuster
			Simmons
			Simpson
			Skelton
			Smith (NJ)
			Smith (TX)
			Smith (WA)
			Snyder
			Sodrel
			Souder
			Spratt
			Stearns
			Strickland
			Sullivan
			Sweeney
			Tancredo

Tanner	Udall (CO)	Westmoreland
Taylor (MS)	Udall (NM)	Whitfield
Taylor (NC)	Upton	Wicker
Terry	Walden (OR)	Wilson (NM)
Thomas	Walsh	Wilson (SC)
Thompson (CA)	Wamp	Wolf
Thornberry	Weldon (FL)	Young (AK)
Tiahrt	Weldon (PA)	Young (FL)
Tiberi	Weller	

NOT VOTING—7

Cardoza	Kennedy (RI)	Turner
Clay	Larson (CT)	
Evans	Stupak	

□ 2201

Mr. UDALL of New Mexico changed his vote from "aye" to "no."

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

So the amendment was rejected.

The result of the vote was announced as above recorded.

Stated against:

Mr. TURNER. Mr. Chairman, on rollcall No. 155, the Watt Substitute for the Budget I am not recorded. Had I been present, I would have voted "no."

AMENDMENT NO. 2 OFFERED BY MR. HENSARLING

Mr. HENSARLING. Mr. Chairman, I offer an amendment.

The Acting CHAIRMAN (Mr. LAHOOD). The Clerk will designate the amendment.

The text of the amendment is as follows:

Part B amendment No. 2 in the nature of a substitute printed in House Report 109-468 offered by Mr. HENSARLING:

Strike all after the resolving clause and insert the following:

SECTION 1. CONCURRENT RESOLUTION ON THE BUDGET FOR FISCAL YEAR 2007.

The Congress declares that the concurrent resolution on the budget for fiscal year 2007 is hereby established and that the appropriate budgetary levels for fiscal years 2008 through 2011 are set forth.

TITLE I—RECOMMENDED LEVELS AND AMOUNTS

SEC. 101. RECOMMENDED LEVELS AND AMOUNTS.

The following budgetary levels are appropriate for each of fiscal years 2007 through 2011:

(1) FEDERAL REVENUES.—For purposes of the enforcement of this resolution:

(A) The recommended levels of Federal revenues are as follows:

- Fiscal year 2007: \$1,758,926,000,000.
- Fiscal year 2008: \$1,845,251,000,000.
- Fiscal year 2009: \$1,927,713,000,000.
- Fiscal year 2010: \$2,016,539,000,000.
- Fiscal year 2011: \$2,084,848,000,000.

(B) The amounts by which the aggregate levels of Federal revenues should be reduced are as follows:

- Fiscal year 2007: \$60,447,000,000.
- Fiscal year 2008: \$76,088,000,000.
- Fiscal year 2009: \$103,277,000,000.
- Fiscal year 2010: \$118,773,000,000.
- Fiscal year 2011: \$271,582,000,000.

(2) NEW BUDGET AUTHORITY.—For purposes of the enforcement of this resolution, the appropriate levels of total new budget authority are as follows:

- Fiscal year 2007: \$2,197,306,000,000.
- Fiscal year 2008: \$2,208,964,000,000.
- Fiscal year 2009: \$2,247,453,000,000.
- Fiscal year 2010: \$2,271,960,000,000.
- Fiscal year 2011: \$2,329,022,000,000.

(3) BUDGET OUTLAYS.—For purposes of the enforcement of this resolution, the appropriate levels of total budget outlays are as follows:

Fiscal year 2007: \$2,262,787,000,000.
 Fiscal year 2008: \$2,257,421,000,000.
 Fiscal year 2009: \$2,263,020,000,000.
 Fiscal year 2010: \$2,301,476,000,000.
 Fiscal year 2011: \$2,340,846,000,000.
 (4) DEFICITS (ON-BUDGET).—For purposes of the enforcement of this resolution, the amounts of the deficits (on-budget) are as follows:

Fiscal year 2007: \$503,861,000,000.
 Fiscal year 2008: \$412,170,000,000.
 Fiscal year 2009: \$335,307,000,000.
 Fiscal year 2010: \$284,937,000,000.
 Fiscal year 2011: \$255,998,000,000.

(5) DEBT SUBJECT TO LIMIT.—Pursuant to section 301(a)(5) of the Congressional Budget Act of 1974, the appropriate levels of the public debt are as follows:

Fiscal year 2007: \$9,156,000,000,000.
 Fiscal year 2008: \$9,690,000,000,000.
 Fiscal year 2009: \$10,146,000,000,000.
 Fiscal year 2010: \$10,542,000,000,000.
 Fiscal year 2011: \$10,916,000,000,000.

(6) DEBT HELD BY THE PUBLIC.—The appropriate levels of debt held by the public are as follows:

Fiscal year 2007: \$5,270,000,000,000.
 Fiscal year 2008: \$5,477,000,000,000.
 Fiscal year 2009: \$5,591,000,000,000.
 Fiscal year 2010: \$5,637,000,000,000.
 Fiscal year 2011: \$5,637,000,000,000.

SEC. 102. MAJOR FUNCTIONAL CATEGORIES.

The Congress determines and declares that the appropriate levels of new budget authority and outlays for fiscal years 2007 through 2011 for each major functional category are:

- (1) National Defense (050):
 - Fiscal year 2007:
 - (A) New budget authority, \$510,580,000,000.
 - (B) Outlays, \$534,623,000,000.
 - Fiscal year 2008:
 - (A) New budget authority, \$481,271,000,000.
 - (B) Outlays, \$502,489,000,000.
 - Fiscal year 2009:
 - (A) New budget authority, \$481,126,000,000.
 - (B) Outlays, \$489,152,000,000.
 - Fiscal year 2010:
 - (A) New budget authority, \$481,099,000,000.
 - (B) Outlays, \$484,908,000,000.
 - Fiscal year 2011:
 - (A) New budget authority, \$481,134,000,000.
 - (B) Outlays, \$486,641,000,000.
 - (2) International Affairs (150):
 - Fiscal year 2007:
 - (A) New budget authority, \$25,820,000,000.
 - (B) Outlays, \$29,603,000,000.
 - Fiscal year 2008:
 - (A) New budget authority, \$24,179,000,000.
 - (B) Outlays, \$25,863,000,000.
 - Fiscal year 2009:
 - (A) New budget authority, \$22,456,000,000.
 - (B) Outlays, \$22,853,000,000.
 - Fiscal year 2010:
 - (A) New budget authority, \$22,443,000,000.
 - (B) Outlays, \$20,894,000,000.
 - Fiscal year 2011:
 - (A) New budget authority, \$22,432,000,000.
 - (B) Outlays, \$19,817,000,000.
 - (3) General Science, Space, and Technology (250):
 - Fiscal year 2007:
 - (A) New budget authority, \$23,666,000,000.
 - (B) Outlays, \$23,804,000,000.
 - Fiscal year 2008:
 - (A) New budget authority, \$21,531,000,000.
 - (B) Outlays, \$22,073,000,000.
 - Fiscal year 2009:
 - (A) New budget authority, \$21,237,000,000.
 - (B) Outlays, \$21,206,000,000.
 - Fiscal year 2010:
 - (A) New budget authority, \$21,096,000,000.
 - (B) Outlays, \$20,882,000,000.
 - Fiscal year 2011:
 - (A) New budget authority, \$17,901,000,000.
 - (B) Outlays, \$18,672,000,000.
 - (4) Energy (270):
 - Fiscal year 2007:
 - (A) New budget authority, \$817,000,000.
 - (B) Outlays, \$817,000,000.
 - Fiscal year 2008:
 - (A) New budget authority, \$817,000,000.
 - (B) Outlays, \$817,000,000.
 - Fiscal year 2009:
 - (A) New budget authority, \$817,000,000.
 - (B) Outlays, \$817,000,000.
 - Fiscal year 2010:
 - (A) New budget authority, \$817,000,000.
 - (B) Outlays, \$817,000,000.
 - Fiscal year 2011:
 - (A) New budget authority, \$817,000,000.
 - (B) Outlays, \$817,000,000.
 - (A) New budget authority, \$817,000,000.
 - (B) Outlays, \$817,000,000.
- (B) Outlays, \$247,000,000.
- Fiscal year 2008:
 - (A) New budget authority, \$41,000,000.
 - (B) Outlays, -\$1,116,000,000.
- Fiscal year 2009:
 - (A) New budget authority, -\$169,000,000.
 - (B) Outlays, -\$1,398,000,000.
- Fiscal year 2010:
 - (A) New budget authority, -\$395,000,000.
 - (B) Outlays, -\$1,583,000,000.
- Fiscal year 2011:
 - (A) New budget authority, -\$509,000,000.
 - (B) Outlays, -\$1,693,000,000.
- (5) Natural Resources and Environment (300):
 - Fiscal year 2007:
 - (A) New budget authority, \$28,230,000,000.
 - (B) Outlays, \$31,991,000,000.
 - Fiscal year 2008:
 - (A) New budget authority, \$27,649,000,000.
 - (B) Outlays, \$30,547,000,000.
 - Fiscal year 2009:
 - (A) New budget authority, \$27,419,000,000.
 - (B) Outlays, \$29,435,000,000.
 - Fiscal year 2010:
 - (A) New budget authority, \$27,340,000,000.
 - (B) Outlays, \$29,284,000,000.
 - Fiscal year 2011:
 - (A) New budget authority, \$26,629,000,000.
 - (B) Outlays, \$27,859,000,000.
- (6) Agriculture (350):
 - Fiscal year 2007:
 - (A) New budget authority, \$26,006,000,000.
 - (B) Outlays, \$25,581,000,000.
 - Fiscal year 2008:
 - (A) New budget authority, \$20,430,000,000.
 - (B) Outlays, \$19,739,000,000.
 - Fiscal year 2009:
 - (A) New budget authority, \$18,742,000,000.
 - (B) Outlays, \$18,006,000,000.
 - Fiscal year 2010:
 - (A) New budget authority, \$18,392,000,000.
 - (B) Outlays, \$17,506,000,000.
 - Fiscal year 2011:
 - (A) New budget authority, \$18,534,000,000.
 - (B) Outlays, \$17,767,000,000.
- (7) Commerce and Housing Credit (370):
 - Fiscal year 2007:
 - (A) New budget authority, \$15,853,000,000.
 - (B) Outlays, \$7,025,000,000.
 - Fiscal year 2008:
 - (A) New budget authority, \$13,028,000,000.
 - (B) Outlays, \$7,025,000,000.
 - Fiscal year 2009:
 - (A) New budget authority, \$12,000,000,000.
 - (B) Outlays, \$6,735,000,000.
 - Fiscal year 2010:
 - (A) New budget authority, \$11,504,000,000.
 - (B) Outlays, \$4,493,000,000.
 - Fiscal year 2011:
 - (A) New budget authority, \$11,298,000,000.
 - (B) Outlays, \$3,885,000,000.
- (8) Transportation (400):
 - Fiscal year 2007:
 - (A) New budget authority, \$69,371,000,000.
 - (B) Outlays, \$70,226,000,000.
 - Fiscal year 2008:
 - (A) New budget authority, \$67,054,000,000.
 - (B) Outlays, \$72,017,000,000.
 - Fiscal year 2009:
 - (A) New budget authority, \$63,686,000,000.
 - (B) Outlays, \$68,586,000,000.
 - Fiscal year 2010:
 - (A) New budget authority, \$19,197,000,000.
 - (B) Outlays, \$50,759,000,000.
 - Fiscal year 2011:
 - (A) New budget authority, \$15,594,000,000.
 - (B) Outlays, \$32,178,000,000.
- (9) Community and Regional Development (450):
 - Fiscal year 2007:
 - (A) New budget authority, \$9,080,000,000.
 - (B) Outlays, \$26,942,000,000.
 - Fiscal year 2008:
 - (A) New budget authority, \$7,963,000,000.
 - (B) Outlays, \$21,875,000,000.
 - Fiscal year 2009:
 - (A) New budget authority, \$7,963,000,000.
 - (B) Outlays, \$21,875,000,000.
 - Fiscal year 2010:
 - (A) New budget authority, \$7,963,000,000.
 - (B) Outlays, \$21,875,000,000.
 - Fiscal year 2011:
 - (A) New budget authority, \$7,963,000,000.
 - (B) Outlays, \$21,875,000,000.

(A) New budget authority, \$7,963,000,000.
 (B) Outlays, \$12,974,000,000.
 Fiscal year 2010:
 (A) New budget authority, \$7,965,000,000.
 (B) Outlays, \$9,423,000,000.
 Fiscal year 2011:
 (A) New budget authority, \$7,967,000,000.
 (B) Outlays, \$8,466,000,000.
 (10) Education, Training, Employment, and Social Services (500):
 Fiscal year 2007:
 (A) New budget authority, \$78,706,000,000.
 (B) Outlays, \$86,415,000,000.
 Fiscal year 2008:
 (A) New budget authority, \$75,421,000,000.
 (B) Outlays, \$77,978,000,000.
 Fiscal year 2009:
 (A) New budget authority, \$73,973,000,000.
 (B) Outlays, \$74,089,000,000.
 Fiscal year 2010:
 (A) New budget authority, \$72,876,000,000.
 (B) Outlays, \$72,155,000,000.
 Fiscal year 2011:
 (A) New budget authority, \$71,986,000,000.
 (B) Outlays, \$70,929,000,000.
 (11) Health (550):
 Fiscal year 2007:
 (A) New budget authority, \$269,698,000,000.
 (B) Outlays, \$272,369,000,000.
 Fiscal year 2008:
 (A) New budget authority, \$279,170,000,000.
 (B) Outlays, \$279,387,000,000.
 Fiscal year 2009:
 (A) New budget authority, \$291,222,000,000.
 (B) Outlays, \$288,810,000,000.
 Fiscal year 2010:
 (A) New budget authority, \$300,435,000,000.
 (B) Outlays, \$299,486,000,000.
 Fiscal year 2011:
 (A) New budget authority, \$312,928,000,000.
 (B) Outlays, \$311,802,000,000.
 (12) Medicare (570):
 Fiscal year 2007:
 (A) New budget authority, \$359,207,000,000.
 (B) Outlays, \$364,668,000,000.
 Fiscal year 2008:
 (A) New budget authority, \$376,393,000,000.
 (B) Outlays, \$376,441,000,000.
 Fiscal year 2009:
 (A) New budget authority, \$395,226,000,000.
 (B) Outlays, \$394,815,000,000.
 Fiscal year 2010:
 (A) New budget authority, \$413,594,000,000.
 (B) Outlays, \$413,906,000,000.
 Fiscal year 2011:
 (A) New budget authority, \$437,641,000,000.
 (B) Outlays, \$437,686,000,000.
 (13) Income Security (600):
 Fiscal year 2007:
 (A) New budget authority, \$346,496,000,000.
 (B) Outlays, \$355,735,000,000.
 Fiscal year 2008:
 (A) New budget authority, \$355,080,000,000.
 (B) Outlays, \$361,544,000,000.
 Fiscal year 2009:
 (A) New budget authority, \$365,727,000,000.
 (B) Outlays, \$369,553,000,000.
 Fiscal year 2010:
 (A) New budget authority, \$376,340,000,000.
 (B) Outlays, \$378,687,000,000.
 Fiscal year 2011:
 (A) New budget authority, \$390,469,000,000.
 (B) Outlays, \$391,965,000,000.
 (14) Social Security (650):
 Fiscal year 2007:
 (A) New budget authority, \$16,918,000,000.
 (B) Outlays, \$16,918,000,000.
 Fiscal year 2008:
 (A) New budget authority, \$18,817,000,000.
 (B) Outlays, \$18,817,000,000.
 Fiscal year 2009:
 (A) New budget authority, \$20,697,000,000.
 (B) Outlays, \$20,697,000,000.
 Fiscal year 2010:
 (A) New budget authority, \$22,869,000,000.
 (B) Outlays, \$22,869,000,000.
 Fiscal year 2011:
 (A) New budget authority, \$26,483,000,000.

(B) Outlays, \$26,483,000,000.
 (15) Veterans Benefits and Services (700):
 Fiscal year 2007:
 (A) New budget authority, \$73,806,000,000.
 (B) Outlays, \$72,887,000,000.
 Fiscal year 2008:
 (A) New budget authority, \$75,996,000,000.
 (B) Outlays, \$76,254,000,000.
 Fiscal year 2009:
 (A) New budget authority, \$76,885,000,000.
 (B) Outlays, \$77,093,000,000.
 Fiscal year 2010:
 (A) New budget authority, \$77,271,000,000.
 (B) Outlays, \$77,312,000,000.
 Fiscal year 2011:
 (A) New budget authority, \$81,471,000,000.
 (B) Outlays, \$81,289,000,000.
 (16) Administration of Justice (750):
 Fiscal year 2007:
 (A) New budget authority, \$42,307,000,000.
 (B) Outlays, \$42,166,000,000.
 Fiscal year 2008:
 (A) New budget authority, \$40,721,000,000.
 (B) Outlays, \$41,941,000,000.
 Fiscal year 2009:
 (A) New budget authority, \$40,620,000,000.
 (B) Outlays, \$41,375,000,000.
 Fiscal year 2010:
 (A) New budget authority, \$40,514,000,000.
 (B) Outlays, \$40,785,000,000.
 Fiscal year 2011:
 (A) New budget authority, \$40,404,000,000.
 (B) Outlays, \$40,382,000,000.
 (17) General Government (800):
 Fiscal year 2007:
 (A) New budget authority, \$18,206,000,000.
 (B) Outlays, \$18,353,000,000.
 Fiscal year 2008:
 (A) New budget authority, \$17,880,000,000.
 (B) Outlays, \$17,962,000,000.
 Fiscal year 2009:
 (A) New budget authority, \$17,988,000,000.
 (B) Outlays, \$17,849,000,000.
 Fiscal year 2010:
 (A) New budget authority, \$18,100,000,000.
 (B) Outlays, \$17,905,000,000.
 Fiscal year 2011:
 (A) New budget authority, \$18,142,000,000.
 (B) Outlays, \$17,940,000,000.
 (18) Net Interest (900):
 Fiscal year 2007:
 (A) New budget authority, \$351,718,000,000.
 (B) Outlays, \$351,718,000,000.
 Fiscal year 2008:
 (A) New budget authority, \$377,930,000,000.
 (B) Outlays, \$377,930,000,000.
 Fiscal year 2009:
 (A) New budget authority, \$395,761,000,000.
 (B) Outlays, \$395,761,000,000.
 Fiscal year 2010:
 (A) New budget authority, \$411,255,000,000.
 (B) Outlays, \$411,255,000,000.
 Fiscal year 2011:
 (A) New budget authority, \$421,915,000,000.
 (B) Outlays, \$421,915,000,000.
 (19) Allowances (920):
 Fiscal year 2007:
 (A) New budget authority, -\$2,830,000,000.
 (B) Outlays, -\$1,685,000,000.
 Fiscal year 2008:
 (A) New budget authority, -\$2,830,000,000.
 (B) Outlays, -\$2,260,000,000.
 Fiscal year 2009:
 (A) New budget authority, -\$2,830,000,000.
 (B) Outlays, -\$2,545,000,000.
 Fiscal year 2010:
 (A) New budget authority, -\$2,830,000,000.
 (B) Outlays, -\$2,685,000,000.
 Fiscal year 2011:
 (A) New budget authority, -\$2,830,000,000.
 (B) Outlays, -\$2,770,000,000.
 (20) Undistributed Offsetting Receipts (950):
 Fiscal year 2007:
 (A) New budget authority, -\$66,349,000,000.
 (B) Outlays, -\$66,799,000,000.
 Fiscal year 2008:
 (A) New budget authority, -\$68,760,000,000.
 (B) Outlays, -\$69,085,000,000.

Fiscal year 2009:
 (A) New budget authority, -\$82,276,000,000.
 (B) Outlays, -\$82,026,000,000.
 Fiscal year 2010:
 (A) New budget authority, -\$67,105,000,000.
 (B) Outlays, -\$66,765,000,000.
 Fiscal year 2011:
 (A) New budget authority, -\$70,567,000,000.
 (B) Outlays, -\$70,367,000,000.

TITLE II—RECONCILIATION SUBMISSIONS
SEC. 201. RECONCILIATION IN THE HOUSE OF REPRESENTATIVES.

(a) SUBMISSIONS TO SLOW THE GROWTH IN MANDATORY SPENDING AND TO ACHIEVE DEFICIT REDUCTION.—(1) Not later than April 28, 2006, the House committees named in paragraph (2) shall submit their recommendations to the House Committee on the Budget. After receiving those recommendations, the House Committee on the Budget shall report to the House a reconciliation bill carrying out all such recommendations without any substantive revision.

(2) INSTRUCTIONS.—

(A) COMMITTEE ON AGRICULTURE.—The House Committee on Agriculture shall report changes in laws within its jurisdiction sufficient to reduce the level of direct spending for that committee by \$2,083,000,000 in outlays for fiscal year 2007 and \$29,116,000,000 in outlays for the period of fiscal years 2007 through 2011.

(B) COMMITTEE ON ARMED SERVICES.—The House Committee on Armed Services shall report changes in laws within its jurisdiction sufficient to reduce the level of direct spending for that committee by \$52,000,000 in outlays for fiscal year 2007 and \$120,000,000 in outlays for the period of fiscal years 2007 through 2011.

(C) COMMITTEE ON EDUCATION AND THE WORKFORCE.—The House Committee on Education and the Workforce shall report changes in laws within its jurisdiction sufficient to reduce the level of direct spending for that committee by \$1,010,000,000 in outlays for fiscal year 2007 and \$7,470,000,000 in outlays for the period of fiscal years 2007 through 2011.

(D) COMMITTEE ON ENERGY AND COMMERCE.—The House Committee on Energy and Commerce shall report changes in laws within its jurisdiction sufficient to reduce the level of direct spending for that committee by \$1,125,000,000 in outlays for fiscal year 2007 and \$91,697,000,000 in outlays for the period of fiscal years 2007 through 2011.

(E) COMMITTEE ON GOVERNMENT REFORM.—The House Committee on Energy and Commerce shall report changes in laws within its jurisdiction sufficient to reduce the level of direct spending for that committee by \$140,000,000 in outlays for fiscal year 2007 and \$1,670,000,000 in outlays for the period of fiscal years 2007 through 2011.

(F) COMMITTEE ON RESOURCES.—The House Committee on Resources shall report changes in laws within its jurisdiction sufficient to reduce the level of direct spending for that committee by \$0 in outlays for fiscal year 2007 and \$6,793,000,000 in outlays for the period of fiscal years 2007 through 2011.

(G) COMMITTEE ON TRANSPORTATION AND INFRASTRUCTURE.—The House Committee on Transportation and Infrastructure shall report changes in laws within its jurisdiction sufficient to reduce the level of direct spending for that committee by \$32,000,000 in outlays for fiscal year 2007 and \$230,000,000 in outlays for the period of fiscal years 2007 through 2011.

(H) COMMITTEE ON WAYS AND MEANS.—The House Committee on Ways and Means shall report changes in laws within its jurisdiction sufficient to reduce the deficit by \$27,457,000,000 for fiscal year 2007 and \$221,189,000,000 for the period of fiscal years 2007 through 2011.

(H) SPECIAL RULE.—The chairman of the Committee on the Budget may take into account legislation enacted after the adoption of this resolution that is determined to reduce the deficit and may make applicable adjustments in reconciliation instructions, allocations, and budget aggregates and may also make adjustments in reconciliation instructions to protect earned benefit programs.

(b) SUBMISSION PROVIDING FOR CHANGES IN REVENUE.—The House Committee on Ways and Means shall report a reconciliation bill not later than April 28, 2006, that consists of changes in laws within its jurisdiction sufficient to reduce revenues by not more than \$18,391,000,000 for fiscal year 2007 and by not more than \$346,271,000,000 for the period of fiscal years 2007 through 2011.

(c) REVISION OF ALLOCATIONS.—(1) Upon the submission to the Committee on the Budget of the House of a recommendation that has complied with its reconciliation instructions solely by virtue of section 310(b) of the Congressional Budget Act of 1974, the chairman of that committee may file with the House appropriately revised allocations under section 302(a) of such Act and revised functional levels and aggregates.

(2) Upon the submission to the House of a conference report recommending a reconciliation bill or resolution in which a committee has complied with its reconciliation instructions solely by virtue of this section, the chairman of the Committee on the Budget of the House may file with the House appropriately revised allocations under section 302(a) of such Act and revised functional levels and aggregates.

(3) Allocations and aggregates revised pursuant to this subsection shall be considered to be allocations and aggregates established by the concurrent resolution on the budget pursuant to section 301 of such Act.

SEC. 202. SUBMISSION OF REPORT ON VETERANS' SAVINGS.

In the House, not later than May 15, 2006, the Committee on Veterans' Affairs shall submit to the Committee on the Budget its findings that identify savings amounting to one percent of total spending under its jurisdiction from activities that are determined to be wasteful, unnecessary, or lower-priority. For purposes of this section, the report by the Committee on Veterans' Affairs shall be inserted in the Congressional Record by the chairman of the Committee on the Budget not later than May 21, 2006.

TITLE III—RESERVE FUND

SEC. 301. RESERVE FUND FOR EMERGENCIES.

In the House of Representatives and the Senate, if the Committee on Appropriations reports a bill or joint resolution, or if an amendment thereto is offered or a conference report thereon is submitted, that provides new budget authority (and outlays flowing therefrom) for emergencies and complies with the requirement of section 403, then the chairman of the Committee on the Budget of that House shall make the appropriate adjustments in allocations and aggregates to the extent that such legislation would not increase the deficit for fiscal year 2007 and for the period of fiscal years 2007 through 2011.

TITLE IV—BUDGET ENFORCEMENT

SEC. 401. RESTRICTIONS ON ADVANCE APPROPRIATIONS.

(a) IN GENERAL.—(1) In the House, except as provided in subsection (b), an advance appropriation may not be reported in a bill or joint resolution making a general appropriation or continuing appropriation, and may not be in order as an amendment thereto.

(2) Managers on the part of the House may not agree to a Senate amendment that would

violate paragraph (1) unless specific authority to agree to the amendment first is given by the House by a separate vote with respect thereto.

(b) EXCEPTION.—In the House, an advance appropriation may be provided for fiscal year 2008 and fiscal years 2009 for programs, projects, activities or accounts identified in the joint explanatory statement of managers accompanying this resolution under the heading 'Accounts Identified for Advance Appropriations' in an aggregate amount not to exceed \$23,565,000,000 in new budget authority.

(c) DEFINITION.—In this section, the term "advance appropriation" means any discretionary new budget authority in a bill or joint resolution making general appropriations or continuing appropriations for fiscal year 2007 that first becomes available for any fiscal year after 2007.

SEC. 402. TURN OFF THE GEPHARDT RULE.

Rule XXVII shall not apply with respect to the adoption by the Congress of a concurrent resolution on the budget for fiscal year 2007.

SEC. 403. EMERGENCY SPENDING.

(a) DESIGNATIONS.—

(1) GUIDANCE.—In the House, if a provision of legislation is designated as an emergency requirement under this section, the committee report and any statement of managers accompanying that legislation shall include an explanation of the manner in which the provision meets the criteria in paragraph (2). If such legislation is to be considered by the House without being reported, then the committee shall cause the explanation to be published in the Congressional Record in advance of floor consideration.

(2) CRITERIA.—

(A) IN GENERAL.—Any such provision is an emergency requirement if the underlying situation poses a threat to life, property, or national security and is—

(i) sudden, quickly coming into being, and not building up over time;

(ii) an urgent, pressing, and compelling need requiring immediate action;

(iii) subject to subparagraph (B), unforeseen, unpredictable, and unanticipated; and

(iv) not permanent, temporary in nature.

(B) UNFORESEEN.—An emergency that is part of an aggregate level of anticipated emergencies, particularly when normally estimated in advance, is not unforeseen.

(b) ENFORCEMENT.—It shall not be in order in the House of Representatives to consider any bill, joint resolution, amendment or conference report that contains an emergency designation unless that designation meets the criteria set out in subsection (a)(2).

(c) ENFORCEMENT IN THE HOUSE OF REPRESENTATIVES.—It shall not be in order in the House of Representatives to consider a rule or order that waives the application of subsection (c).

(d) DISPOSITION OF POINTS OF ORDER IN THE HOUSE.—As disposition of a point of order under subsection (b) or subsection (c), the Chair shall put the question of consideration with respect to the proposition that is the subject of the point of order. A question of consideration under this section shall be debatable for 10 minutes by the Member initiating the point of order and for 10 minutes by an opponent of the point of order, but shall otherwise be decided without intervening motion except one that the House adjourn or that the Committee of the Whole rise, as the case may be.

SEC. 404. CHANGES IN ALLOCATIONS AND AGGREGATES RESULTING FROM REALISTIC SCORING OF MEASURES AFFECTING REVENUES.

(a) Whenever the House considers a bill, joint resolution, amendment, motion or conference report, including measures filed in

compliance with section 201(b) or 201(c), that propose to change Federal revenues, the impact of such measure on Federal revenues shall be calculated by the Joint Committee on Taxation in a manner that takes into account—

(1) the impact of the proposed revenue changes on—

(A) Gross Domestic Product, including the growth rate for the Gross Domestic Product;

(B) total domestic employment;

(C) gross private domestic investment;

(D) general price index;

(E) interest rates; and

(F) other economic variables;

(2) the impact on Federal Revenue of the changes in economic variables analyzed under paragraph (1).

(b) the Chairman of the Committee on the Budget may make any necessary changes to allocations and aggregates in order to conform this concurrent resolution with the determinations made by the Joint Committee on Taxation pursuant to subsection (a).

SEC. 405. PROHIBITION ON USING REVENUE INCREASES TO COMPLY WITH BUDGET ALLOCATIONS AND AGGREGATES.

(a) For the purpose of enforcing this concurrent resolution in the House, the chairman of the Committee on the Budget shall not take into account the provisions of any piece of legislation which propose to increase revenue or offsetting collections if the net effect of the bill is to increase the level of revenue or offsetting collections beyond the level assumed in this concurrent resolution.

(b) Subsection (a) shall not apply to any provision of a piece of legislation that proposes a new or increased fee for the receipt of a defined benefit or service (including insurance coverage) by the person or entity paying the fee.

SEC. 406. APPLICATION AND EFFECT OF CHANGES IN ALLOCATIONS AND AGGREGATES.

(a) APPLICATION.—Any adjustments of allocations and aggregates made pursuant to this resolution shall—

(1) apply while that measure is under consideration;

(2) take effect upon the enactment of that measure; and

(3) be published in the Congressional Record as soon as practicable.

(b) EFFECT OF CHANGED ALLOCATIONS AND AGGREGATES.—Revised allocations and aggregates resulting from these adjustments shall be considered for the purposes of the Congressional Budget Act of 1974 as allocations and aggregates contained in this resolution.

(c) BUDGET COMMITTEE DETERMINATIONS.—For purposes of this resolution—

(1) the levels of new budget authority, outlays, direct spending, new entitlement authority, revenues, deficits, and surpluses for a fiscal year or period of fiscal years shall be determined on the basis of estimates made by the appropriate Committee on the Budget; and

(2) such chairman may make any other necessary adjustments to such levels to carry out this resolution.

SEC. 407. DIRECT SPENDING SAFEGUARD.

(a) It shall not be in order in the House of Representatives to consider a direct spending legislation that would increase an on-budget deficit or decrease an on-budget surplus as provided by subsection (e) for any applicable time period.

(b) For purposes of this section, the term "applicable time period" means any of the following periods:

(1) The period of the first 5 fiscal years covered by the most recently adopted concurrent resolution on the budget.

(2) The period of the 5 fiscal years following first 5 years covered in the most recently adopted concurrent resolution on the budget.

(c) For purposes of this section and except as provided in subsection (d), the term "direct-spending legislation" means any bill, joint resolution, amendment, or conference report that affects direct spending as that term is defined by, and interpreted for purposes of, the Balanced Budget and Emergency Deficit Control Act of 1985.

(d) For purposes of this section, the term "direct-spending legislation" does not include—

(1) any legislation the title of which is as follows: "A bill to preserve Social Security."; or

(2) any legislation that would cause a net increase in aggregate direct spending of less than \$100,000,000 for any applicable time period.

(e) If direct spending legislation increases the on-budget deficit or decreases an on-budget surpluses when taken individually, it must also increase the on-budget deficit or decrease the on-budget surplus when taken together with all direct spending legislation enacted since the beginning of the calendar year not accounted for in the baseline assumed for the most recent concurrent resolution on the budget, except that direct spending effects resulting in net deficit reduction enacted pursuant to reconciliation instructions since the beginning of that same calendar year shall not be available.

(f) This section may be waived by the affirmative vote of three-fifths of the Members, duly chosen and sworn.

(g) For purposes of this section, the levels of budget authority and outlays for a fiscal year shall be determined on the basis of estimates made by the Committee on the Budget.

(h) The Committee on Rules may not report a rule or order proposing a waiver of subsection (a).

SEC. 408. BUDGET PROTECTION MANDATORY ACCOUNT.

(a)(1) The chairman of the Committee on the Budget shall maintain an account to be known as the "Budget Protection Mandatory Account". The Account shall be divided into entries corresponding to the allocations under section 302(a) of the Congressional Budget Act of 1974 in the most recently adopted concurrent resolution on the budget, except that it shall not include the Committee on Appropriations.

(2) Each entry shall consist only of amounts credited to it under subsection (b). No entry of a negative amount shall be made.

(b)(1) Upon the engrossment of a House bill or joint resolution or a House amendment to a Senate bill or joint resolution (other than an appropriation bill), the chairman of the Committee on the Budget shall—

(A) credit the applicable entries of the Budget Protection Mandatory Account by the amounts specified in paragraph (2); and

(B) reduce the applicable section 302(a) allocations by the amount specified in paragraph (2).

(2) Each amount specified in paragraph (1)(A) shall be the net reduction in mandatory budget authority (either under current law or proposed by the bill or joint resolution under consideration) provided by each amendment that was adopted in the House to the bill or joint resolution.

(c)(1) If an amendment includes a provision described in paragraph (2), the chairman of the Committee on the Budget shall, upon the engrossment of a House bill or joint resolution or a House amendment to a Senate bill or joint resolution, other than an appropriation bill, reduce the level of total revenues

set forth in the applicable concurrent resolution on the budget for the fiscal year or for the total of that first fiscal year and the ensuing fiscal years in an amount equal to the net reduction in mandatory authority (either under current law or proposed by a bill or joint resolution under consideration) provided by each amendment adopted by the House to the bill or joint resolution. Such adjustment shall be in addition to the adjustments described in subsection (b).

(2)(A) The provision specified in paragraph (1) is as follows: "The amount of mandatory budget authority reduced by this amendment may be used to offset a decrease in revenues."

(B) All points of order are waived against an amendment including the text specified in subparagraph (A) provided the amendment is otherwise in order.

(d) As used in this rule, the term—

(1) "appropriation bill" means any general or special appropriation bill, and any bill or joint resolution making supplemental, deficiency, or continuing appropriations through the end of fiscal year 2007 or any subsequent fiscal year, as the case may be.

(2) "mandatory budget authority" means any entitlement authority as defined by, and interpreted for purposes of, the Congressional Budget Act of 1974.

(e) During the consideration of any bill or joint resolution, the chairman of the Committee on the Budget shall maintain a running tally, which shall be available to all Members, of the amendments adopted reflecting increases and decreases of budget authority in the bill or joint resolution.

SEC. 409. BUDGET DISCRETIONARY ACCOUNTS.

(a)(1) The chairman of the Committee on the Budget shall maintain an account to be known as the "Budget Protection Discretionary Account". The Account shall be divided into entries corresponding to the allocation to the Committee on Appropriations, and the committee's suballocations, under section 302(a) and 302(b) of the Congressional Budget Act of 1974.

(2) Each entry shall consist only of amounts credited to it under subsection (b). No entry of a negative amount shall be made.

(b)(1) Upon the engrossment of a House appropriations bill, the chairman of the Committee on the Budget shall—

(A) credit the applicable entries of the Budget Protection Discretionary Account by the amounts specified in paragraph (2).

(B) reduce the applicable 302(a) and (b) allocations by the amount specified in paragraph (2).

(2) Each amount specified in subparagraph (A) shall be the net reduction in discretionary budget authority provided by each amendment adopted by the House to the bill or joint resolution.

(c)(1) If an amendment includes a provision described in paragraph (2), the chairman of the Committee on the Budget shall, upon the engrossment of a House appropriations bill, reduce the level of total revenues set forth in the applicable concurrent resolution on the budget for the fiscal year or for the total of that first fiscal year and the ensuing fiscal years in an amount equal to the net reduction in discretionary budget authority provided by each amendment that was adopted by the House to the bill or joint resolution. Such adjustment shall be in addition to the adjustments described in subsection (b).

(2)(A) The provision specified in paragraph (1) is as follows: "The amount of discretionary budget authority reduced by this amendment may be used to offset a decrease in revenues."

(B) All points of order are waived against an amendment including the text specified

in subparagraph (A) provided the amendment is otherwise in order.

(d) As used in this rule, the term "appropriation bill" means any general or special appropriation bill, and any bill or joint resolution making supplemental, deficiency, or continuing appropriations through the end of fiscal year 2007 or any subsequent fiscal year, as the case may be.

(e) During the consideration of any bill or joint resolution, the chairman of the Committee on the Budget shall maintain a running tally, which shall be available to all Members, of the amendments adopted reflecting increases and decreases of budget authority in the bill or joint resolution.

The Acting CHAIRMAN. Pursuant to House Resolution 817, the gentleman from Texas (Mr. HENSARLING) and a Member opposed each will control 20 minutes.

The Chair recognizes the gentleman from Texas.

Mr. HENSARLING. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, before I begin my formal remarks, I want to acknowledge our dear friend and colleague Chairman NUSSLE for his great work. It has been one of my great honors and privileges to serve on his Budget Committee. I have thought that Chairman NUSSLE has had the hardest job in this body, and he has always chaired the Budget Committee with fairness and principle and diligence, and, I might add, success. Again, it has been an honor and a privilege to serve with him as he introduces his last budget. All I can say is Congress's loss is certainly Iowa's gain.

Mr. Chairman, over 10 years ago, visionary men and women of the Republican Party came forth with a very bold budget plan called the Contract with America budget. The Contract with America captured the imagination of the American people, and it gave the Republicans control of the people's House for the first time in decades.

More than just numbers, Mr. Chairman, the budget was about bedrock values. It called for true compassion by removing the yoke of dependency fashioned by the welfare state and replacing it with an opportunity society. It spoke of restoring personal freedom by ending centralized bureaucratic micro-management of the Federal Government. It called for reforms, it called for accountability, and finally, Mr. Chairman, it actually balanced the budget without tax increases on hard-working American families.

Unfortunately, Mr. Chairman, the Contract with America budget was never enacted. Washington ignored the budget's ominous warning that if it failed to pass, within 10 years the national debt would grow to over \$7.5 trillion from excess spending. That has proven true.

Today, members of the Republican Study Committee introduce the Contract with America Renewed Budget, a budget that is dedicated to achieving the goals of the original, chiefly balancing the budget in 5 years without raising taxes. This is the only budget proposed in Congress that would do so.

Mr. Chairman, not enough Americans realize it, but you can actually balance the budget without cutting 1 penny of Federal spending. That is right, without cutting 1 single penny. Even our budget will still grow government, but we slow its rate of growth, as we must. For the last 10 years, the Federal budget has grown beyond the ability of the family budget to pay for it. Washington has spent twice the rate of inflation and 50 percent faster than the family budget, and yet Democrats want to spend even more and tax more.

Every time Congress grows a Federal program, it takes money away from a family program, like a down payment on a home, college tuition for a child, or money to launch a small business. American families have to prioritize their spending every year. They have to balance their budget every year. They should expect no less from their Federal Government.

Now, to achieve a balanced budget without increasing taxes, our budget demands accountability, performance, and priorities. We propose the elimination of over 150 Federal programs. After almost 20 years after the fall of the Berlin Wall, we should still not be funding Radio Free Europe. The citrus canker program is not of equal priority to Kevlar vests for our brave troops, and we simply do not need other bridges to nowhere.

Our budget prevents the massive, the massive planned Democrat tax increase that threatens the 5 million new jobs that have been created since Republicans in this body enacted tax relief and progrowth job policies in 2003. Our budget proposes to reform out-of-control entitlement spending and then saving, actually saving, Medicare as we know it for our children.

The budget proposes a number of reforms, like a constitutional line item veto, a sunset commission, and earmark reform, all geared towards saving the family budget from the onslaught of the Federal budget.

Now, Mr. Chairman, there is no doubt in my mind that soon Democrats will stand up and call this something akin to a tough and heartless budget. But, Mr. Chairman, the tough and heartless budget is theirs. Their budget ignores out-of-control spending and will lead the next generation to desperate economic times.

According to the General Accountability Office, the Congressional Budget Office, and anybody else who has looked at the problem, without spending reforms we will soon be faced with the choice of having a Federal Government consisting of almost nothing but Medicare, Medicaid and Social Security, or actually doubling taxes on the next generation. That is the Democrats' budget plan for America.

But if we will simply embrace the principles of a balanced budget and limited accountable government, our future is bright. We can ensure unlimited freedom and unlimited opportunity for this generation and the next.

We should enact the Contract with America Renewed Budget.

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

Mr. NUSSLE. Mr. Chairman, I claim the time in opposition, and I ask unanimous consent to yield half the time to the gentleman from South Carolina (Mr. SPRATT) and that he be allowed to control that time.

The Acting CHAIRMAN. Is there objection to the request of the gentleman from Iowa?

There was no objection.

Mr. NUSSLE. Mr. Chairman, I yield myself such time as I may consume.

First of all, Mr. Chairman, it is my role and responsibility as the chairman of the Budget Committee to draft and defend the majority budget. I have done so. And that is the base resolution that we are considering tonight, to which the Republican Study Committee has provided an opportunity to look into the future and see what is possible. I oppose it, respectfully. And while there is enough of it that is worthy of discussion and worthy of support, it is my job, as I say, to defend and to pass the majority budget, and we will do so later on.

But let me just touch on some things that I think are important as you consider not only the underlying bill, but also what the Republican Study Committee has done. First of all, the members of the Republican Study Committee clearly have learned the lessons of the 1990s and the effort that we made to balance the budget, and there were three of them.

And let me suggest that those three lessons that we learned, that I certainly learned as a member of the Budget Committee, as a Member of Congress looking at the challenges that we faced, the first lesson was that we needed to grow the economy. That was clear. And we did so. The economy grew by leaps and bounds, and it brought revenue into the Treasury like never before. We cut the capital gains tax, and it created opportunities, it created jobs, and it created new businesses. As a result, it created new revenue to the Treasury.

Second, the lesson was if you control spending, if you slow things down, even to a freeze level, that that can help you gain the traction to get back to fiscal responsibility.

But the most important lesson, I believe, of the 1990s exercise of going through the Contract with America budget, as my friend from Texas suggested, and so many other budgets during those years that were successful, it was that we reformed government; that we were constantly weeding the garden looking for opportunities to make changes, looking for opportunities to deliver the product of government, the services of government in a more effective and efficient way.

I realize that there will be a lot of vitriol, of people coming forward saying you must hate this group or you must hate this person or you don't care

about this. I would never cast that aspersions on anybody in this body. I say that very seriously. There is nobody who could get elected to this body by being that unfeeling and uncaring about the people that they serve and the people that elect them. It is just not possible.

So to say those kinds of things and to measure it based on the size of the wallet that the Federal Government is willing to throw at any problem is just, I believe, a ridiculous proposition. We can disagree on the method to solve problems, on the ways that we will meet challenges, but to come to the floor and suggest that just because you want to reform a program that has operated the same way for 20 years is because somehow you don't care, that is just simply not what either the RSC is trying to suggest in the budget they are proposing or that we are suggesting in the underlying budget.

We believe it is time, and that the time should always be present to reform government and to look for ways to use tax dollars wisely and to deliver a better product or service to the people that we are trying to help. That is what the RSC budget does.

Now, it does so at a time that we have other challenges. Obviously, we have many unexpected expenses that came up as a result of a war, as a result of 9/11, as a result of homeland security, as a result of immigration challenges, and as a result of Katrina, the hurricane. We have so many challenges that our budgets have had to face, and I believe we have balanced them as well as possible.

So while the RSC budget may go too far for a majority of people in the House of Representatives tonight, it does push the envelope forward and say we should always lean forward when it comes to reforming government.

□ 2215

We should always be willing to lean forward and to support taxpayers and the job that they do, all taxpayers. And that is what the RSC budget does. I oppose it, respectfully, because I believe we need to support a majority budget to put the kind of fence, the fiscal fence, around the job we need to do here tonight and the rest of the year. But it is a good work product, worthy of our respect, if for no other reason because it points us in the constant direction of reform that this institution and our Federal Government must get serious about if we will meet the challenges that our kids and grandkids are going to need to deal with in the future.

Mr. SPRATT. Mr. Chairman, I yield 3 minutes to the minority whip, Mr. HOYER.

Mr. HOYER. Mr. Chairman, I had not planned to speak at this point in time in the debate. But somebody, sometime ought to talk about facts.

The gentleman mentions the Contract with America. The first plank of the Contract with America was fiscal

responsibility. Now, you weren't in charge when the Contract With America came into your purview as the majority in 1995. Bill Clinton was President of the United States. I have served here, my 26th year; 18 of those have been with Republican Presidents. Eight have been with a Democratic President. Every one of those 18 years we had a deficit of over \$100 billion.

Now, there is only one person in America who can stop spending, the President of the United States. Reagan didn't stop spending. Bush didn't stop spending, and this President has spent, and you have spent, twice as much as we spent under Bill Clinton. The Heritage Foundation will tell you that, not we Democrats. We will tell you that too, but the Heritage Foundation will tell you that, I tell my friend from Texas.

You have voted for budgets which have provided the largest deficits in our history. In the last 64 months, your budgets and your policies have resulted in an additional \$3 trillion of deficit spending. Three trillion. You are in charge of the House, you are in charge of the Senate, and you have the Presidency.

Now you say, oh, we had 9/11 and then we had the war. You didn't have that during the Reagan years, and you had a deficit every year. You didn't have that in Bush I. You had the Gulf War I, but guess what, that President Bush had the rest of the world substantially pay for that effort.

\$3 trillion in additional debt. And in this budget, you are going to add an additional 650 billion-plus to the national debt. Those deficits, by the way, so you understand, and these are facts, you are welcome to look at your little books, get out your staff and say, oh, no, Hoyer is lying. The public maybe is watching.

During Republican Presidents those 18 years, \$4.3 trillion of deficit spending net. You know what you had under Bill Clinton? \$62.5 billion of surplus. The only President in your lifetime, I say to all of you, who had a net surplus during the course of his terms.

So I hear the gentleman from Texas get up and talk about the Contract With America. It was blarney.

You said you were going to be fiscally responsible. The finances of this Nation over the last 6 years have been the worst since my service here, and perhaps in the history, I think in the history of America. You talk a good game, but you are not playing a good game. You are not playing for real, and you are trying to fool the American public. The problem you have is they are not being fooled.

Mr. HENSARLING. Mr. Chairman, I yield myself 10 seconds.

I find it a little surreal to be lectured by a Democrat on the subject of spending since for the last 10 years every time the Republicans have introduced a budget, they have introduced a budget that spends more. If the gentleman is really concerned about spending, he

should support the budget that spends the least, which is this budget.

Mr. Chairman, at this time I would like to yield 2½ minutes to the gentleman who is of the class of 1994 who voted for the original Contract With America, a former chairman of the Republican Study Committee and one of the great conservative leaders in the House, the gentleman from Arizona (Mr. SHADEGG).

Mr. SHADEGG. Mr. Chairman, I take the strong statement we just heard as an endorsement of the RSC budget. He talked about the budget you are proposing will increase the deficit. In fact, he wasn't talking about the RSC budget. Indeed it will produce \$392 billion in net deficit reduction.

I rise in strong support of the Contract with America Renewed budget and compliment the gentleman from Texas for his hard work on this budget. This budget is a reasoned and responsible budget based on the Contract With America budget that I proudly voted for in 1995 and that the chairman of the House Budget Committee who sits here tonight also voted for, along with 108 other Republicans and two Democrats. And I certainly hope that tonight they will once again vote for this budget.

Mr. Chairman, when the Republicans were entrusted with the majority in 1994, we made a number of promises to the American people, but none of them was more important than our promise and nor more critical than our promise to the American people to shrink the size and the scope of the Federal Government, to have it tax less, spend less and interfere in our lives less; and, Mr. Chairman, it is time to keep that promise.

As the accompanying chart shows, in the time period from 1995 to 2005, Federal spending has increased at three times the pace of the average family income.

Mr. Chairman, that simply is not tolerable. This chart shows it. In that time period the average family income has gone up by 8.2 percent. Total Federal outlays have gone up by 25.6 percent. Growing the Federal Government at three times the pace of the family income simply is not tolerable, cannot be defended, and will not work in the long run.

The total amount of Federal spending is hard for the average American to comprehend. It is \$2.2 trillion. In \$1 bills it would stack halfway to the Moon. It weighs 10 times as much as the Sears Tower, and it would blanket the State of New Jersey.

Mr. Chairman, growth in spending has grown dramatically just in the last few years. From 2002 to 2005, the inflation rate was 2 percent. But we grew spending in 2002 by 7.9 percent, in 2003 by 7.4 percent, in 2004, by 6.1 percent and in 2005 by 8.2 percent. Each year, three to four times the rate of inflation.

Mr. Chairman, it is time for fiscal sanity. It is time to end the over-spending.

I urge my colleagues to support the Contract with America Renewed budget.

Mr. SPRATT. Mr. Chairman, I yield 2 minutes to the gentleman from New Jersey (Mr. PASCRELL).

Mr. PASCRELL. Mr. Chairman, there is a credit card problem here on the House floor. You know what it would take to balance the budget while preserving these tax cuts? Let's take a look at your budget. To balance the budget by 2016, only 10 years away, while making the tax cuts permanent, you would have to cut Social Security benefits by 45 percent, you would have to cut defense spending by 66 percent, and you would have to cut Medicare by 56 percent. Every other program except Social Security, Medicare, Defense and Homeland Security you would have to cut by 32 percent. Now unless you are prepared to do that, you ought to take a look at the real facts.

The President promised that 5.5 million jobs would be created by 2003. Those tax cuts that we passed, that you passed in 2003. Instead, less than half of those jobs ever materialized.

If the workforce had only grown with the rate of population since 2001, there would be 3 million more people between the ages of 20 and 65 in the workforce than there is today.

Last year, middle-income wages actually grew less than the rate of inflation, reducing their buying power and their ability to grow the economy. That is why the American people are not fooled by your press conferences, by your budgets, by your shenanigans about we want to tax and spend. They don't believe you anymore.

Real wages have not grown since the passage of these tax cuts and are now at the level seen all the way back in November of 2001, before the tax cuts. In fact, one could make an argument that the economy would have grown the same if you would have increased taxes.

It makes no sense what has happened since 2001. President Bush and the Republican leadership have instituted round after round of reckless tax cuts for the rich, and all they have to show for it is one of the weakest so-called economic recoveries in the Nation's history. That is fact, and I give you those facts, and I hope you chew on them and think about them before you introduce your next budget.

Mr. Chairman, the problem with this substitute amendment is that like all fiscally irresponsible Republican budgets it will give large tax cuts for millionaires, while drastically cutting vital domestic programs used by average Americans. It will further grow our national deficit which stands at over \$8 trillion, more than \$28,000 per American.

The truth is that average working Americans are not only getting the tiniest share of the tax cuts; they are also not seeing any signs of an economic recovery. Unlike my Republican colleagues, let me state some facts to support my claim.

Fact: The President promised that 5.5 million jobs would be created by his 2003 tax

cuts, instead less than half those jobs ever materialized.

Fact: If the workforce had only grown with the rate of population since 2001, there would be 3 million more people between the ages of 20 and 65 in the workforce than there is today.

Fact: Last year, middle income wages actually grew less than the rate of inflation, reducing their buying power and their ability to grow the economy.

Fact: Real wages have not been growing since the passage of these tax cuts and are now at the levels seen all the way back in November 2001.

I could state more facts all day and night, but I am limited by time, so let me just state what is abundantly clear: That President Bush and this Republican Congress have instituted round-after-round of reckless tax cuts for the rich and all they have to show for it is one of the weakest so-called economic recoveries in our nation's history and a bloated budget deficit.

For shame!

Mr. HENSARLING. Mr. Chairman, I yield 1 minute to a coauthor of the Family Budget Protection Act, one of the great fiscal conservatives of Congress, the gentleman from Indiana (Mr. CHOCOLA).

Mr. CHOCOLA. Mr. Chairman, you know, we can talk about a lot of things in a budget debate; but there are only a couple of things we know for sure. One is that we are on an unsustainable fiscal path and we have \$46 trillion in unfunded liabilities. And by 2040, we will spend more on Social Security, Medicare, and interest than we have in Federal revenue, which will leave no money for defense, no money for education, no money for ag, no money for Department of Labor, no money for anything unless we have crushing tax increases.

Some say that this budget requires hard choices. I would argue it doesn't require any hard choices at all. It simply requires tough management. It is easy to spend other people's money, especially when it is other people's money. It is hard to manage money and achieve results.

This budget does the responsible thing by engaging in tough management and putting us on a path of sustainable fiscal future and not passing a debt along to our children that they simply will not afford.

This budget achieves better government at a lower cost, and I encourage all of my colleagues to support it.

Mr. HENSARLING. Mr. Chairman, I yield 1 minute to the gentlewoman from Tennessee (Mrs. BLACKBURN).

Mrs. BLACKBURN. Mr. Chairman, I want to thank the gentleman from Texas for his work on our RSC budget. He has done an outstanding job. And you know, this really is a time when we can renew the Contract With America and those goals that we focused on and the principles that were laid forth in that period of time, and this is a budget that helps move us again toward those goals and towards those principles.

Mr. Chairman, I find it so interesting that we are hearing people say, well, you can make an argument for this, you can make an argument for that. You can try to disprove this, you can try to disprove that. And you can make arguments all day long, but it doesn't make it true. It just does not make it true. And I think we have to put our focus on a few simple things that are fiscally responsible.

The budget we have before us that we are debating at this point in time is one that focuses on eliminating wasteful and unnecessary programs and capping growth in mandatory spending. Reducing the size of government and consolidating redundant agencies, this is a place that deserves our focus, it deserves our attention. It deserves our fiscal responsibility.

Mr. SPRATT. Mr. Chairman, I yield 2½ minutes to the gentlewoman from Texas (Ms. JACKSON-LEE).

(Ms. JACKSON-LEE of Texas asked and was given permission to revise and extend her remarks.)

□ 2230

Ms. JACKSON-LEE of Texas. Mr. Chairman, I think one of the problems that we have is not explaining to the American people the amount of pain that this Republican budget casts on Americans. So let me just tell you the truth this evening.

When the Democrats were in, when we passed the 1997 budget resolution, we developed a \$5.6 trillion surplus. I think that is easy enough to understand. But right now, today, we have seen an arrow sink us down into an \$8.8 trillion deficit and sliding on the slippery slope of this huge deficit that breaks the backs of working Americans. In fact, right now, today, when they vote, they will create a \$3.2 trillion, if you will, deficit that will break the backs of working Americans. What that does is, of course, is to reinforce the fact that the tax cut that you are giving gives only to the richest of America, the 1 percent, but, in fact, even though Americans understand about mutual sacrifice of which they would rather have investment in education and health care and homeland security, your tax cut is going to cost \$3 trillion, which is going to add to the trillions of dollars of deficit that we already have.

When we talk about priorities, what that means is that we are cutting \$6 billion from homeland security, the very debate that we are having today, \$6 billion we are cutting over a 5-year period in homeland security. What does that mean? It means we have no funding for border security. It means we have no funding to ensure that the homeland is safe with intelligence resources and collaboration. It also means that our military has no armored jackets. It means that our veterans hospitals are cut for \$6 billion. But, most importantly, it cuts the children of America because it is the largest cut in education in 23 years. That is

what this trillion-dollar deficit budget makes. That is what the Republican budget does. It cuts priorities, and that is what the Democrats are saying.

Our priorities are different. We want to invest in America. We do not want to build the deficit. We do not want to build \$3 trillion in tax cuts that do not go to the average working American. We want that single mother, we want that family of 4, we want that family of 10, we want that young person looking for an opportunity to have the investment of capital to ensure that America is great.

Vote for the Democratic substitute. That is what makes America great, and that is what we would like to do for America.

Mr. Chairman, I rise today to add my voice of opposition to the Republican Budget Resolution.

The budget of the United States is more than a financial document and accounting device. Rather it is the numerical expression of the obligations free people voluntarily assume to help others, to serve the common good, and to form a more perfect union. But it is more than that. A budget is a reflection of our national values and a scorecard by which we can judge whether we are keeping faith with what we profess to believe. The budget resolution brought to the floor today by the Republican leadership does not reflect the best of American values. This budget breaks faith with what we know to be right.

Let me count the ways:

This budget undermines the federal programs that bolster the economy and welfare of our citizens.

The President's budget cuts \$6.3 billion in Social Security benefits over ten years by eliminating the survivor benefits safety net for women and children. This benefit can make the difference between subsistence and destitution, and it is heart breaking that Congress could even consider pocketing funds rightly earned and needed by or constituents and their families.

The President's budget slashes Medicare by \$36 billion over five years and \$105 billion over 10 years and includes gross Medicaid cuts, including both legislative and regulatory cuts, of \$17 billion over five years and \$42 billion over 10 years, on top of the deep Medicaid cuts that Congress enacted in 2005.

The Republican 2007 budget resolution cuts spending on education by 29% and freezes Head Start funding at this year's level, guaranteeing that 19,000 children will have to be cut from Head Start next year. Even the President's own No Child Left Behind program is funded at \$15.4 billion below the authorized level.

Cuts are also in store for environmental protection projects (by 4%), community block grants (\$736 million), and community development programs (\$4.3 billion below the amount needed to maintain current services).

Even the budget for Homeland Security is 24.9% lower than the amount enacted in FY2006.

What I have just described is a systematic asphyxiation of funding for vital elements that make up the fabric of our society—education, healthcare, social security, housing, and homeland security.

All of us agree on the American future we want for our children and generations yet unborn. An America that is highly educated, confident, capable, globally competitive, strong, and sage. Whether we achieve this goal depends upon what we do here today and now. This budget will not make America smarter, stronger, safer, more competitive, or proud. We can do much better. We must do better if we are to be true to the best of ourselves and to be consistent with our fundamental values.

I urge all members of the House to reject this budget resolution. I further urge my colleagues to support the Democratic Substitute Budget (the Spratt Resolution) and to support the CBC amendment to the Budget resolution.

Mr. HENSARLING. Mr. Chairman, at this time I yield 1 minute to the gentleman from South Carolina (Mr. BARRETT).

Mr. BARRETT of South Carolina. Mr. Chairman, I thank the gentleman for yielding.

Mr. Chairman, our constituents did not send us to Congress to create debt and pass it on to our children and our grandchildren. Yet it is estimated by the end of fiscal year 2006 that the Federal budget deficit alone will be \$337 billion. Now, there are many reasons affecting this number, but the bottom line is spending is out of control.

Later tonight we will be voting on House passage of the fiscal year 2007 Federal budget, and I believe the time is now to make drastic reform. And the Republican Study Committee alternative budget is definitely a step in the right direction. This budget allows us to renew our purpose of fiscal restraint, pay down the national debt, and balance the budget.

Mr. Chairman, we cannot continue to spend on everything, because if we do, we will not be able to spend on anything. So I am rising in support of the amendment sponsored by the gentleman from Texas because it moves us in the right direction. It moves us in the direction of spending within our means and truly being accountable for our children and our grandchildren.

Mr. SPRATT. Mr. Chairman, I yield 1½ minutes to the gentleman from Massachusetts (Mr. MARKEY).

Mr. MARKEY. Mr. Chairman, if you kicked the Republican budget in the heart, you would break your toe.

These guys tonight are going to vote to cut \$162 billion out of programs for the poor and the sick and the aged in our country in order to accommodate a \$228 billion tax break for the wealthy.

Now, it would not be so bad if you did not follow the details. They are going to cut \$18 billion out of public health programs for people across our country. They are going to cut the Centers for Disease Control. They are going to cut the research at the National Institutes of Health, which is looking for the cures for Alzheimer's, for Parkinson's, for juvenile diabetes. They are going to cut those programs. They are going to cut \$6 billion in veterans health care. They are going to cut money for homeland security all to accommodate a \$228 billion tax break al-

most exclusively for the wealthy in our country.

If you kicked the Republican budget in the heart, you would break your toe.

Mr. HENSARLING. Mr. Chairman, at this time I would like to yield 1 minute to a gentleman who knows that spending will increase every year under this budget, the gentleman from North Carolina (Ms. FOXX).

Ms. FOXX. Mr. Chairman, there are two clearly defined philosophies at work in Washington. On one side are conservatives, such as my RSC colleagues and I, who want to cut government spending and rein in the Federal deficit. On the other side are liberals, who believe that more government spending is the answer to all our problems, and these liberals will raise your taxes to pay for it.

I am pleased to be a part of this group of conservatives who today are proving that Republicans are indeed the party of fiscal discipline, reform, and accountability. Our budget proposal provides a general framework on how we can hold the line on spending, balance our budget within 5 years, pay down our national debt, and maintain tax relief for American families all at the same time.

Like every family across America, we need to make tough budget decisions and cut back on wasteful spending. That is not easy, but it is the right thing to do. After all, if your family was far into debt and was spending out of control, you would have to cut wasteful or unnecessary purchases.

With this budget we have a unique opportunity to streamline our government, reform ineffective and outdated Federal programs, cut spending, and provide greater accountability for the American people. Let us get to work.

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

Mr. HENSARLING. Mr. Chairman, at this time I yield 1 minute to the gentleman from Georgia (Mr. GINGREY).

Mr. GINGREY. Mr. Chairman, I rise in support of this amendment offered by the gentleman from Texas. I want to thank him for all his work in conjunction with the Republican Study Committee in advancing additional fiscal restraint in the budgetary process.

While the underlying budget does a commendable job of balancing our revenues with spending, the RSC does the same job. It just does it faster. Mr. Chairman, without question, both the underlying budget and this substitute budget make many tough choices. The budgetary process is not easy, but we must never forget it is not any easier for the taxpayer, who in every paycheck forges over too much of his or her paycheck to fund this budget.

This RSC alternative aims to balance the budget by 2011 by eliminating waste, fraud, and abuse and by pairing back unnecessary, duplicative bureaucracy by eliminating 150 Federal programs. It also protects Social Security and promotes a progrowth tax policy.

So I want to encourage all of my colleagues to support this amendment.

Mr. HENSARLING. Mr. Chairman, at this time I yield 1 minute to the gentleman from Wisconsin (Mr. RYAN).

Mr. RYAN of Wisconsin. Mr. Chairman, I thank the gentleman for yielding. I also want to thank Mr. HENSARLING for his leadership on budget reform. It is a pleasure to be a co-author of the Family Budget Protection Act with him.

Mr. Chairman, budgets are about values. Budgets are about priorities, governing philosophies. What this Republican Study Committee budget does, what this Contract with America budget, renewed, does is express our values that the nucleus of the American economy and the American society is the individual. It is the families. It is not the government.

What this budget recognizes is that it is entirely possible not to cut the deficit in half in 5 years. It is entirely pragmatic and possible to eliminate the deficit in 5 years. What we are simply proposing to do is what Congress tried to do and did in 1995. It is not a ridiculous proposition that we can restrain the growth in government to eliminate the deficit in 5 years. We can keep taxes low, and we can restrain the growth of government to do this and reform the entitlements that are in desperate need of reform.

I compliment the gentleman on this budget. I urge its adoption.

Mr. HENSARLING. Mr. Chairman, at this time I yield 1 minute to the gentleman from New Jersey (Mr. GARRETT).

Mr. GARRETT of New Jersey. Mr. Chairman, I rise today in support of this, the RSC budget, simply because I care. I care about my constituents, the family budget. I care about American taxpayers everywhere. I care about the fact that they send their money to an overly bloated Federal Government. I care about growing our economy. I care also about the fact that we are growing deficits instead.

Over the last several hours now, we have heard Members from both sides of the aisle agree on one thing, and that is that we need to reduce Federal spending, lower our deficits, balance the budget. This budget plan will do that.

At the end of the day when all the rhetorical smoke clears, we are left with the fact that deficits will burden our children. My kids, your kids, our grandkids, American taxpayers today will all be burdened. So we can no longer simply afford to push this issue off into the future. We need to address it now.

I have the honor to serve on the Budget Committee and on the RSC as well, and I am not going to stand here and say that this is a perfect budget. But I will say it is a good budget, a budget that will do what it says it will do, rein in Federal spending, get us to a balanced budget. And anyone who wishes to reduce deficits should support this, the RSC budget.

Mr. HENSARLING. Mr. Chairman, at this time I yield 1 minute to the gentleman from Iowa (Mr. KING).

Mr. KING of Iowa. Mr. Chairman, I thank the gentleman for yielding and for his work on this budget.

Mr. Chairman, I support this budget because it is the most conservative, fiscally responsible budget that we have. It is not quite as conservative or fiscally responsible as I would like. I would like to put a balanced budget out here every year, and I would like to take the pain every year, and we would slow this government down. We should be able to do that in this Congress. This is as close as we can get and pull together the maximum amount of votes. It sends a message to the American people that we have people here that live by this budget the same way that you live by your family budget.

And I am going to stand with this Study Committee budget for a couple of other reasons. One is it allows some drilling in ANWR that can allow for some resources so we can do something to grow the size of the energy pie; and it repeals the Davis-Bacon wage scale, which is an outrageous Federal requirement on the wages that we have, so that we can let supply and demand set the marketplace.

Those are all good standards that have been put out here by the Study Committee budget, and I applaud them for the work that they have done. And I look forward to the time when we see a balanced budget come to the floor of this Congress from the Budget Committee.

Mr. HENSARLING. Mr. Chairman, I yield 1 minute to the esteemed majority deputy whip, the gentleman from Virginia (Mr. CANTOR).

Mr. CANTOR. Mr. Chairman, I thank the gentleman for yielding.

I would first like to recognize the leadership of Chairman NUSSLE on the underlying budget and the terrific job that he has done in compiling a budget that really reflects the will of the majority of this House in making those tough choices. I want to commend him on that.

But I rise today in support of this budget substitute because I believe it really reflects the awesome responsibility that we have here, the responsibility to care for our children, to lead this country and to be concerned about what our future holds. This budget proposal will save \$358 billion from autopilot spending and provide \$392 billion in net deficit reduction over the next 5 years. It will balance the Federal budget by 2011.

Mr. Chairman, Thomas Jefferson said in 1821: "The multiplication of public offices, increase of expense beyond income, growth and entailment of a public debt are indications soliciting the employment of the pruning knife." These words offer great insight today. It is time for us to spend more time spending less and to focus on finding ways to achieve savings and accomplish reform for the American people.

Mr. HENSARLING. Mr. Chairman, since I know he has capability of being twice as profound, I will yield him half the time. At this time I yield 30 seconds to the father of earmark reform, the gentleman from Arizona (Mr. FLAKE).

□ 2245

Mr. FLAKE. Mr. Chairman, I thank the gentleman for yielding. I want to commend the gentleman from Texas for putting this budget forward and for working so hard on it.

It is simple to support this budget. This budget balances the budget within 5 years without tax increases. That is what we ought to support. Anything less is not doing justice for the generations to come who are going to be saddled with this debt unless we take bold action like this alternative budget. With that, I urge my colleagues to support it.

Mr. HENSARLING. Mr. Chairman, I yield 1 minute to the gentleman from California (Mr. CAMPBELL).

Mr. CAMPBELL of California. Mr. Chairman, I tried to keep track on my paper here of how many times the opposition to this budget proposal used the word "cut," and I ran off the edge of the page. It is 30-something or 40-something times they used the word "cut."

The truth is, this budget that is before you increases spending every single year. Let me repeat that. This budget increases spending every single year. Increasing is not a cut. When you go from three to four, that is not a cut. It does not increase spending as much as the current rate of increase, which is unsustainable over time, which is why this is such a responsible budget.

It also does not increase taxes and does not depress the economy in the way an increase of taxes would do, but it does balance this budget in 5 years in the only way we know we can do it; without smoke and mirrors, without any games, by simply spending within our means.

Mr. HENSARLING. Mr. Chairman, I yield the balance of my time to the chairman of the Republican Study Committee, one of the great conservative leaders in our Nation, the gentleman from Indiana (Mr. PENCE).

The Acting CHAIRMAN. The gentleman from Indiana is recognized for 2 minutes.

(Mr. PENCE asked and was given permission to revise and extend his remarks.)

Mr. PENCE. Mr. Chairman, with record deficits and national debt, the time has come to level with the American people. We are not living within our means. Therefore, House conservatives, under the capable leadership of JEB HENSARLING of Texas, have put our own budget alternative together. We call it the Contract with America Renewed.

The Contract with America Renewed is a balanced budget based on the budget passed by the House of Representa-

tives in 1995 as part of the Contract with America. That budget passed this House by all but one Republican vote, and this budget deserves the same level of support tonight.

House conservatives believe that this Republican Congress should return to our roots of fiscal discipline and reform. The Contract with America Renewed would balance the Federal budget by cutting wasteful government spending and ending outdated bureaucracies. It would protect the tax cuts that have made our economy thrive, would strengthen Social Security and provide for our veterans and national defense. And the Contract with America Renewed would keep our promise to future generations by reforming entitlements that threaten to bankrupt our national government.

The American people know that unbridled government spending threatens our future and our freedom, and they long for leaders who tell it like it is and are honest about the choices we face.

In the original Contract with America were these words: "America stands at a crossroads. Down one path lies more debt and the continued degradation of the Federal Government and the people it is intended to serve. Down the other path lies the restoration of the American dream." Those first Republicans in the majority in 40 years said, "We choose the second of these roads."

I urge my colleagues to support fiscal discipline and reform. Support the Republican Study Committee budget, and say yes again to the Contract with America Renewed.

Mr. SPRATT. Mr. Chairman, I yield myself the balance of my time.

The Acting CHAIRMAN. The gentleman is recognized for 1 minute.

Mr. SPRATT. Mr. Chairman, this budget already cuts, the base bill on the floor, education by \$45 billion over the next 5 years; wipes out 42 programs; eliminates the Perkins plan for vocational education. Public health, the cuts come to \$18 billion. That is the NIH, Center for Disease Control, Graduate Medical Education For Children's Hospitals, rural health care programs, on and on and on, cut \$18 billion. Veterans, who should have a greater claim to our sympathy and support now than at any time, you see the sacrifices they are making, 18,000 grievously wounded, veterans health care will be funded at \$6 billion below current services if this budget passes. To go deeper, to cut more is just unconscionable. I simply cannot imagine it.

In truth, what you have got here are \$162 billion cumulative cuts in programs on which people depend over 5 years. You have already gone beyond the reasons of limit. Going even further would be truly unconscionable.

The Acting CHAIRMAN. The gentleman from Iowa has 5 minutes remaining.

Mr. NUSSLE. Mr. Chairman, I yield myself the balance of my time.

Mr. Chairman, back in 1995 as a brand new member of the Budget Committee, we did go through the exercise of balancing the budget and putting a plan together that actually accomplished that. We thought it was going to take, I think at the time, 7 years. We got it done in 5 years as a result of a number of advantages and opportunities that were happening at the time.

Certainly the budget in 1995 was not written during a recession, it was not written during a war, it was not written during an attack on our homeland, it was not written during one of the greatest natural disasters that our country has ever witnessed in Hurricane Katrina. Certainly the challenges we face today are different than 1995, and the opportunities that we have today are certainly different than they were in 1995.

But the one thing I like about this budget, even though I am going to oppose the amendment, is that what my friend from Texas, Mr. HENSARLING, Mr. PENCE from Indiana and so many of the very responsible members of the Republican Study Committee who have put together a detailed plan, is that they are blazing the trail. They are showing us how.

We may not get there today, as my friend from Iowa said, and I know for sure he can write a budget that can balance by tonight, or I am pretty sure. I am sure there are a lot of Members who could do that. But we are not writing the perfect budget tonight. That is not possible. We are writing a majority budget. We are writing a budget that can get 218 votes.

So if this budget does not get 218 votes because there are Members who believe that it goes too far too fast, let us not forget the principles, though, that it lays out, that we need to consider as we write any budget, and that is, number one, we must continue to grow the economy. That is lesson number one of the 1990s and the first historic balanced budget in a generation.

Number two, we have got to control spending. What the underlying budget does is it basically freezes domestic spending while we fight this global war on terror and while we have men and women in the field.

Third, during the nineties, particularly with welfare reform, that we had to drag President Clinton kicking and screaming to sign after he vetoed it twice, is that we must reform government programs and entitlements, constantly looking for better ways to deliver government products and services in the best way possible to the taxpayers of America.

This is what this budget attempts to do. The underlying budget will accomplish that. We ask for its support.

I respectfully ask that Members do not support the RSC budget, but that we take that lesson as a way to point us toward better fiscal responsibility in the future and always be willing to blaze that trail toward more discipline, more responsibility and more reform.

Mr. GUTKNECHT. Mr. Chairman, I rise today in support of the Republican Study Committee's amendment in the nature of a substitute.

On March 8, I joined with my colleagues from the Republican Study Committee to renew our commitment to the principles of the Contract With America. We must control government spending.

While I may not agree with every line of this substitute amendment, I do support its overall goal of balancing the budget in five years and saving taxpayers nearly \$360 billion.

The attack of Sept. 11, the War on Terror and national emergencies like Katrina are largely to blame for our deficit . . . but not completely. Wasteful government spending also adds to the national debt, and we need to address it.

Our Nation's growing deficit amounts to a generational transfer of wealth. Today's youth will pay for the decisions we make today. For years, we have increased government spending, and now, we must work together to help rein it in and cut the deficit.

Here are some frightening statistics:

Since 2000, the amount the government spends on average per American household has grown 15.1 percent—the highest level since World War II.

In recent years, the federal budget growth has far outpaced the growth in the average American family budget.

This year's deficit may well exceed \$400 billion.

Americans are saying enough is enough. The RSC budget will balance the budget in 5 years and eliminate more than 150 federal programs that are no longer making the grade.

Congress has some tough decisions to make during the 2007 budget process. This is no different than those Americans who establish their own annual budgets. Over the next five years, Americans will generously provide the federal government with an average increase of 5.3 percent in federal tax revenue. Congress must learn to live within that.

Think about it. When our constituents sit down to figure out their family budgets, they don't start by figuring out how much they want to spend. They start by figuring out how much they have to spend and then they work back from there.

We should do no less.

In the end, we must ask ourselves, what legacy do we want to leave our children? Will it be a massive government and crushing debt? Or the legacy of hope, prosperity and a lean and responsible government?

Mr. Chairman, budgeting is about making tough choices. Congress must return to the path of fiscal responsibility. We must balance the budget and rein in spending, and the RSC budget alternative is the best place to start.

Mr. NUSSLE. Mr. Chairman, I yield back the balance of my time.

The Acting CHAIRMAN. The question is on the amendment offered by the gentleman from Texas (Mr. HENSARLING).

The question was taken; and the Acting Chairman announced that the noes appeared to have it.

Mr. HENSARLING. Mr. Chairman, I demand a recorded vote.

The Acting CHAIRMAN. Pursuant to clause 6 of rule XVIII, further proceedings on the amendment offered by

the gentleman from Texas will be postponed.

AMENDMENT MADE IN ORDER IN LIEU OF AMENDMENT NO. 3 OFFERED BY MR. SPRATT

Mr. SPRATT. Mr. Chairman, I offer an amendment.

The Acting CHAIRMAN. The Clerk will designate the amendment.

Amendment made in order in lieu of part B amendment No. 3 in the nature of a substitute printed in House Report 109-468 offered by Mr. SPRATT:

(For text of the amendment, see prior proceedings of the House of today.)

The Acting CHAIRMAN. Pursuant to House Resolution 817, the gentleman from South Carolina (Mr. SPRATT) and a Member opposed each will control 20 minutes.

The Chair recognizes the gentleman from South Carolina.

Mr. SPRATT. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, we offer a budget substitute which offers a difference, because, you see, our budget will return the budget to balance by the year 2012. In the interim, it will run smaller deficits and rack up less debt.

Our resolution will hold non-defense discretionary spending to the level of current services over the next 5 years, showing that we can exercise discipline and control without making devastating cuts in the essential services. The Republican budget, the base bill, never reaches balance, and, in my opinion, presents no plan or prospect of wiping out the debt or reducing the deficit.

I just outlined a few minutes ago some of the draconian cuts that are made over time. They may not seem that to start with, but they are relentless over a 5-year period of time. Education, for example, will be cut \$45 billion; the environment will be cut substantially; and so will health, public health. NIH, Center for Disease Control, Graduate Medical Education for Children's Hospitals, on and on and on, rural health care programs that people depend upon.

Mr. Chairman, I yield 3 minutes to the gentleman from Maine (Mr. ALLEN), to discuss the health implications of the base bill and the difference between our substitute and the base bill when it comes to public health.

Mr. ALLEN. Mr. Chairman, I thank the gentleman for yielding.

Mr. Chairman, this Republican budget we are voting on tonight does nothing to address the plight of the 46 million Americans who do not have health insurance. It does not improve our health care infrastructure. It does not ensure that physicians receive adequate Medicare reimbursement. It does not continue the level of Federal investment in medical research that has led to great advances in new treatments and cures for disease. Instead, this budget increases the deficit and adds to our Nation's exploding national debt.

The Democratic budget, on the other hand, rejects the Republicans' disastrous cuts to health care and other domestic priorities.

The Republican budget does not address the flawed sustainable growth rate formula for physician payments. Under the Republican budget, physicians will see a 4.6 percent cut to their Medicare payments in 2006, when their costs are going up continuously. The Democratic budget creates a reserve fund to increase Medicare payments to physicians, just like an amendment to the Senate budget resolution that passed unanimously.

The Republican budget echoes the President's insufficient level of funding for public health programs, short-changing critical medical research, treatment, prevention and training programs. Programs facing cuts include 18 of 19 institutes at the National Institutes of Health, critical prevention programs at the Centers for Disease Control, Graduate Medical Education for Children's Hospitals and scores of other health programs that the President cut or eliminated.

The Democratic budget rejects the funding cuts to public health and ensures that these important programs maintain their purchasing power by providing \$18 billion more than the Republican budget over 5 years.

I urge you to vote for the Democratic substitute and respect, respect, the claims that have been made to us by people with cancer, by people with ALS, just today in our offices saying if those research funds are not increased, their lives and the lives of those like them will be endangered.

Mr. RYAN of Wisconsin. Mr. Chairman, I claim the time in opposition.

The Acting CHAIRMAN. The gentleman from Wisconsin is recognized for 20 minutes.

Mr. RYAN of Wisconsin. Mr. Chairman, I yield 2 minutes to the gentleman from Texas (Mr. HENSARLING), an esteemed member of the Budget Committee.

Mr. HENSARLING. Mr. Chairman, again, what we see in this budget debate is it comes down to a debate about values, it comes down, frankly, to a debate about spending, it comes down to a debate about taxes.

Now, again, what we have heard all evening is that somehow the tax relief passed by Republicans has led to great deficits. The only problem is, that doesn't seem to jive with the facts.

I hold in my hand here the latest Treasury report on revenues. Since we have actually passed tax relief, we have more tax revenues. More tax revenues. When we allow the American people, the American families and small businesses to keep more of what they earn, they go out and they create jobs. And a lot of these jobs happen to be in my district. But, Mr. Chairman, if we enact this Democrat alternative, you are going to have a massive tax increase and you are going to start taking the jobs away.

Since we passed tax relief, Hugh Dublin in my congressional district, his business used to have three employees. Since we passed tax relief, he added

two new employees, a guy named Dan and a guy named David.

□ 2300

Yet Democrats want to raise taxes on Hugh Dublin and his small business. They want to take away these guys' paychecks, and they are going to end up replacing them with welfare checks. And that is what they call compassion. That is what the Democratic tax increase is all about.

Let me tell you about Eddie Alexander of SSS Electric in my district back in Texas. Since we have had tax relief, he has had to hire two new people himself, a gentlemen by the name of Jared and a gentleman by the name of John Feagins. They were both unemployed, looking for employment in Henderson County, Texas.

Well, due to tax relief, they were able to expand their business. Yet the Democrats in their substitute budget want to increase taxes on Eddie Alexander and SSS Electric. They want to take away the paychecks of Jared and John and replace them with welfare checks. That is not compassion, Mr. Chairman. We need to reject this Democratic alternative.

Mr. SPRATT. Mr. Chairman, I yield 1½ minutes to the gentlewoman from California (Mrs. CAPPs).

Mrs. CAPPs. Mr. Chairman, I stand in firm opposition to this budget resolution. It is offensive. It is immoral. It does not reflect the true priorities of the American people.

Speaking of priorities, just this week the Health Subcommittee of Energy and Commerce held a hearing on Children's Hospital's graduate medical education. This President's budget proposes cutting this successful program from \$297- way down to \$99 million. This program enables our Nation's independent children's hospitals to train the next generation of pediatricians, pediatric specialists, pediatric researchers who treat the sickest of our children.

I asked the administration's representative why the President wants to cut funding for children's hospitals, and she responded that this administration will be focusing those funds toward higher priorities.

I must ask, what is a higher priority than sick children? What is a higher priority than investments into life-saving medical research at the NIH, cancer patients waiting for the next clinical trial which will save their life? What is a higher priority than health care for our Nation's veterans coming home today from Iraq with such severe injuries? Judging by yesterday's tax vote, it would seem to be a further higher priority for this Republican Congress to have the wealthiest in our country have a tax cut.

That is what adopting this budget comes down to. I urge my colleagues to reject this budget resolution, the underlying resolution, and prove that you are committed to protecting funding for our Nation's hard-working families.

Vote for the Democratic substitute and not for the special interests.

Mr. RYAN of Wisconsin. Mr. Chairman, I yield myself as much time as I may consume.

Mr. Chairman, I would like to analyze this budget in several different ways. First of all, I want to compliment the Member from South Carolina for bringing the substitute to the floor. That is an important first step, because without competing ideas and competing budgets, we cannot really have a good debate here.

But what is this substitute we are dealing with right here? Number one, if you take a look at this substitute, it has enormous tax increases in it, and that is okay. It just defines the difference between the two parties and the two philosophies that we have.

Why does it have what I just said? Well, this budget claims to want to extend the extension of the child tax credit, extend the marriage penalty relief, 10 percent individual tax bracket, alternative minimum tax rate, estate tax relief, research and development tax credit, extension for the deduction of State and local sales taxes, marriage penalty, all of the kinds of things that we passed in the 2003 tax cuts that we all think are good ideas.

But the question, Mr. Chairman, is do they pay for it? No, they do not. They claim in their budget they have \$150 billion set aside for this. Well, if you add up the costs, if you add up what it would take to continue this tax relief, that is \$922 billion.

So they put in \$150 billion in the budget for this tax policy, when it costs \$922 billion. Where do they make up the difference? How do they come up with this \$772 billion difference?

Well, that is the little asterisk that they have on their budget. That is the little footnote that they have on their budget. That is the tax gap. What they propose to do is simply this: If we just give the IRS some more money, if we hire more IRS agents, audit more Americans, and crack down harder on enforcement of the Tax Code, we will get this \$772 billion.

So just trust us, the budget adds up. We know we are only setting aside \$150 billion for the \$922 billion of tax cuts we would like to pay for in this budget. So to make up the difference, we are just going to send the IRS after more people, and that is how we make up the additional \$772 billion.

Now, the other question you want to ask is, well, are they being more frugal with the taxpayer dollars? Are they spending less money? Well, no this budget does not do this either. This budget spends more money than the majority budget, than the proposed budget. This budget spends \$139 billion more.

Well, where do they spend that money? We have heard a lot of talk here on the floor about the need to support our troops. We need to support our soldiers. We need to invest in science and basic research. We need more

mathematicians, more scientists to compete in the global economy and globalization.

Those are not extra funding in this budget. What about our veterans? Our veterans are returning from our wars, from Iraq and Afghanistan, coming back from other tours of duty. We need to work on our veterans. They do not propose any additional veterans spending over the base budget in here. They have \$139 billion of more spending in other areas.

So they are not proposing more money for veterans, for science, for defense, which we believe are the top priorities. They are basically sticking with our numbers.

Mr. Chairman, I think what you have here is the same old same old: more spending, higher taxes, and a budget that just does not add up.

Mr. Chairman, I think the base budget that we are passing here today is a good budget. I prefer to do less on spending.

I was here speaking on the Contract with America renewed budget, the Study Committee budget, just a moment ago. But this budget honors our commitment to our troops, honors our commitment to our veterans, makes sure that we do think about the global economy and invest in basic research and science, and, more importantly, this budget budgets for that tax policy so our constituents, the American economy and the American taxpayer does not get stuck with higher taxes.

Gasoline is \$3 a gallon. The cost of living is high in America because health insurance premiums are going up double digits a year. The last thing the American taxpayer needs is a tax increase. Yet if this budget were to pass, something tells me that these IRS agents, as smart as they are, as aggressive as they are, as good at doing audits as they may be, these IRS agents are not going to go out and get another \$772 billion to make up and fill this hole to prevent those big tax increases from hitting the American people, from hitting the American economy.

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

Mr. SPRATT. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, let me respond to the gentlemen before yielding to Mr. HOYER. What we have provided here is that there will be \$150 billion of tax cuts before the PAYGO rule applies.

Otherwise, we just would take the PAYGO rule, which worked so well for us in the 1990s, which on three occasions, the gentleman heard him, Alan Greenspan said we should reinstate, double edge, applicable to tax cuts as well as to entitlement increases.

And what we are saying is, applying the PAYGO rule, go through the Code, as we did in 1986, \$2½ trillion, surely the deductions and credits and exemptions and preferences there that can help you offset the taxes that will come up for renewable in 2010. That is what we are proposing.

You have got \$228 billion in this budget resolution alone calls for tax cuts of that amount. It does not have a dime of them covered. And that is why, one of the reasons, that the deficit next year will be \$545 billion on budget, before applying Social Security surplus. And 5 years from now it will be \$428 billion. That is assuming no fix of the AMT and no additional costs after 2007 for Iraq.

That is why they do not get anywhere. It is a tread-water budget. So what we have proposed simply is that there would be additional tax cuts, of course, up to \$150 billion without having to apply the PAYGO rule. But after that they would have to be offset so we can get about the business of working off these enormous deficits, which everybody knows are not sustainable into the future.

Mr. Chairman, I yield 4 minutes to the gentlemen from Maryland (Mr. HOYER), the minority whip.

Mr. HOYER. Mr. Chairman, let me start by saying that Democrats have not spent any money over the last 6 years. None of our budgets have passed. The appropriations bills would not have passed but for Republican votes, and the Republican President signed the budgets. That is what this crowd has offered. They have done it all. What has that meant? Three trillion dollars of additional deficit spending. That is what it has meant. This budget continues that practice.

Mr. Chairman, the overwhelming majority of Americans now believe that our great Nation is headed in the wrong direction. Not difficult to understand why they think that.

The Republican Party's incompetence over the past 5½ years is undeniable, from the miscalculations in Iraq to the inept response to Hurricane Katrina, to failure to secure our ports and borders, to the historic turnaround in our fiscal health from the \$5.6 trillion surplus that they inherited, which they have turned into a \$4 trillion deficit, a \$9.6 trillion turnaround in 64 months; 5.4 million more Americans live in poverty, 6 million more are uninsured. Real median household income has dropped nearly \$1,700. Thus, today it is stunning that our Republican colleagues have brought a budget resolution to this floor that so badly betrays our values and fails to meet our Nation's priorities.

This shamefully short-sighted budget resolution cuts crucial investment in our Nation and our people. The difference, I tell my friend from Wisconsin, is we want to pay for what we buy. You are buying a lot. You are buying more than we bought when we were in charge. You are not paying. You are borrowing from the Japanese, the Chinese, the Saudis. You borrowed more money from foreigners over the last 5 years than were borrowed in the 210 years before that.

Over the next 5 years, it slashes education by \$45 billion; veterans health care, to which the gentleman referred,

by \$6 billion; public health by \$18 billion; and environmental protection by \$25 billion.

Even worse, this budget resolution is a continuation of the most reckless fiscal policies in the history of our Nation, policies that have squandered, as I said, a \$5.6 trillion budget surplus. Who said that? George Bush, March 2001, said that is what we had.

They added more than \$3 trillion to the national debt and weakened our ability, weakened our ability to respond to national and international crises.

Listen, my friends, to the warning of the nonpartisan Comptroller General David Walker, not a Democrat, appointed by your side, who stated in February, "Continuing on the unsustainable fiscal path will gradually erode if not suddenly damage our economy, our standard of living, and ultimately our national security."

Mr. Chairman, that is what Mr. Walker says their budgets are doing to America; yet that is precisely what this Republican budget continues to do. It not only fails to rein in the record Republican deficits of the last 5 years, it makes them worse. Hear me. This budget makes the deficits worse. It not only fails to arrest our exploding national debt, it calls for a debt limit increase of 653 billion additional dollars.

Last year during our debate on the budget resolution, the chairman of the Budget Committee confidently proclaimed, and I quote, "We will be able to give, I believe, our kids and grandkids the opportunities of a debt-free world if we begin with a small step again this year."

That is the chairman who brings to this floor a \$653 billion additional increase in our national debt. The chairman's assertion then has been eviscerated by the facts now. Vote for this responsible Spratt alternative and reject this fiscally reckless proposal on top of the last five fiscally reckless proposals.

The reality is, this budget resolution—and the Republican party's policies—have instigated a dangerous spiral of deficits and debt that constitute nothing less than fiscal child abuse, because they will immorally force our children and grandchildren to pay our bills.

In sharp contrast, the Democratic alternative is reasonable and responsible.

It would balance the budget by 2012; reinstate the pay-as-you-go budget rules that were instrumental in creating four consecutive budget surpluses in the 1990s; and invest in our Nation and our people.

Our Democratic alternative provides matching resources for defense, and more resources for education, veterans' health care and other health priorities, and the environment.

I urge my colleagues: vote for fiscal sanity. Vote for the budget that puts America back on the right track.

Vote for the Democratic substitute.

Mr. RYAN of Wisconsin. Mr. Chairman, I yield 2½ minutes to the chairman of the House Budget Committee, Mr. NUSSLE.

Mr. NUSSLE. Mr. Chairman, you know it is interesting that the distinguished minority whip indicated that all of the spending has been Republican spending in the last 6 years.

Mr. Chairman, I had a chance to go and check the gentlemen's Website, and, interestingly enough, he takes credit for spending. He voted for spending. He got projects for Maryland. Is not this interesting? Well, I think you may need to change your press release, I would say to the gentlemen. Maybe these are Republican projects that we provided the fine people of Maryland that you take credit for on your Website.

No, I think what is really going on here is that there is a lot of finger pointing.

□ 2315

There is a lot of interesting partisanship with regard to spending tonight, because the gentleman comes to the floor and says it is all our spending and it is all our fault, and yet the gentleman is the same gentleman on the Appropriations Committee who rolled out most of these bills, who takes credit for most of the projects, who voted for final passage in the conference reports on most of those bills as they move through the process. And so to blame us for spending I think is a little bit ridiculous.

Let me take the second one. He blames us for Katrina. I think that was a hurricane; I don't think it was a partisan issue. And instead of doing something about it in your budget, we actually put a reserve fund to plan for hurricanes, to plan for emergencies, to plan for natural disasters, the first time we have ever done this as a Congress. Not when the gentleman was in control in the majority. We have done this. We learned our lessons from Katrina. We are going to plan for natural disasters. We believe it is high time that we do that. So the gentleman comes to the floor and blames us. No, he blamed the President for Katrina, and then does nothing about it in his budget.

One final point. For the gentleman to say on the floor tonight that we cut too much on the one hand and that we provide too much tax relief on the other, there is only one plan that solves both and that is the Spratt Democrat substitute, and that is a massive tax increase on America. It is a secret, no one wants to talk about it; it is in the plan that they have rolled out. But the only way you deal with your huge increases of spending and your huge reductions in the tax relief policy that has been put out there to grow our economy is to increase taxes. That is the only way.

So I would say to the gentleman that he has certainly laid out a fine argument, but his own Web site demonstrates that I think he has a lot of credit that he can take for the challenges that this budget and this deficit and this fiscal situation have caused.

Mr. SPRATT. Mr. Chairman, I yield the gentleman from Maryland 1 additional minute.

Mr. HOYER. I thank the gentleman for yielding.

Mr. Chairman, I rose to express my appreciation on behalf of the people of Maryland for allowing us to invest in some very important projects. I will continue to take credit for those. But your budgets are the only ones that have passed, and the appropriations bills are the ones you have offered on the floor.

But let me say to the gentleman, I have been here long enough so that in 1993 I heard all the arguments from all your leadership that adopting our budget proposal would send the country to rack and ruin, would explode the deficit, explode unemployment, and create a deep recession. Dick Armey, your leader, said that, the Speaker said that, the chairman, Mr. Kasich, of your Budget Committee said that.

You are 180 degrees wrong, dead flat wrong. Exactly the opposite happened. Under a proposal that we made that you said was a massive tax increase, you never talk about of course the \$250-plus billion spending cut, but we had the best economy in the history of America.

Mr. SPRATT. Mr. Chairman, before yielding to the gentleman from Texas, let me say that there are certain promises that we are bound to keep in government, and I think one of the most important are promises we have made to our veterans, because they were purchased for a dear price and usually therefore services are sorely needed, particularly veterans health care.

I yield now 3 minutes to the gentleman from Texas to talk about the difference between our budget substitute and the base bill when it comes to this vitally important thing called veterans health services.

Mr. EDWARDS. Mr. Chairman, with all due respect, if the House Republican leadership were to be accused in a court of law of being fiscally responsible, there would not be enough evidence to convict it. In fact, the evidence shows that this leader's free lunch philosophy has taken America in just 5 years from the largest surpluses in American history to the largest deficits in American history. We are now facing \$1 billion-a-day deficits. Who is financing them? Communist China, Russia, Saudi Arabia, Iran, and Venezuela; and this budget continues the status quo.

This budget isn't just fiscally irresponsible; it turns its back on the American value of fairness. How? Just a few days ago, based on these budget numbers, the Republicans in this House voted for a \$2 million dividend tax cut for poor Mr. Lee Raymond, the just-retired CEO of ExxonMobil who just got a \$400 million retirement package. I guess that wasn't enough; he got \$2 million more in dividend tax cuts from the same people who in this budget are saying to veterans making \$28,000 a

year, you make too much money to deserve VA health care in our hospital system even if you did serve our country in combat.

Worse yet, this budget resolution that I hope we will defeat would cut \$8.6 billion during a time of war out of present services to our veterans health care. I don't think that reflects the American values. To servicemen and -women, it says that we are going to, at least according to the present budget, cut \$735 million out of defense health care services. That service is not just to military retirees; that is health care services to the men and women fighting in Iraq and Afghanistan today. That appropriation bill will be on the floor of the House this week because of this budget resolution. Those aren't America's values.

The choice is clear. If you think America is on the right track, if you like \$1 billion-a-day deficits financed by the Communist Chinese, Russia, and Iran, vote for the Republican leadership budget. If you think Lee Raymond really needs a \$2 million dividend tax cut this week while saying "no" to men and women who served our country in uniform and those who continue to serve our country in uniform, then vote for the Republican budget. But if you think veterans deserve better and our country deserves better, vote for the Spratt substitute, lower deficits, true fiscal responsibility, and an \$8.6 billion increase, compared to the Republican budget for VA health care over the next 5 years.

If the Spratt budget were accused of being fiscally responsible, there would be enough evidence to convict it. It also passes the American values test of fairness, fairness for veterans, fairness to our servicemen and -women, fairness to future generations of our children and grandchildren.

Mr. RYAN of Wisconsin. Mr. Chairman, I yield 3 minutes to the gentleman from Florida (Mr. CRENSHAW).

Mr. CRENSHAW. I thank the gentleman for yielding.

Mr. Chairman, I guess as I listened to this, I think it makes it very clear the difference in philosophy of the two parties that have put forth these budgets. Because, on the one hand you have got the Republican budget that takes the money that is available, sets a spending limit, does like every American family has to do, you sit down and you decide how much you are going to be able to spend on the priorities that you set out. And it does just that, it gets a handle on the spending, which is what the American people want. And then it tries to reform some of these areas of the government that need to be reformed. And, thirdly, it says that, look, there are some things we can do like establish a rainy day fund, we can set aside money for emergencies we know we are going to have, and it does those three things.

And yet you look on the other side and you see the Democratic alternative. There is no ounce of reform,

none whatsoever. There is no real effort to set aside money for true emergencies.

I guess the most drastic difference between the budget that I support and the Republicans have offered and the budget that Mr. SPRATT has talked about is just that age-old philosophy of you just spend a little more money, you make a little more people happy, but how do you pay for it? Where do you get the money? And you all proudly talk about how you are going to spend more money, but you are not so proud about where the money is coming from because it is like magic money. You don't say we are going to raise taxes. You just do the things you do that automatically increase taxes on the middle class, the folks that you are saying you are going to help by spending more money, and that is just an endless cycle.

When I was a kid, I used to watch TV and there was a thing called Bullwinkle and he was a moose, and he had a friend that was named Rocky and he was a squirrel. And Bullwinkle would always say to Rocky, "Hey, watch me pull a rabbit out of this hat." And old Rocky the squirrel said, "No way. You are not going to be able to pull a rabbit out of the hat." And sure enough Bullwinkle would reach into that hat for that elusive rabbit, and he would always pull out something other than a rabbit. One time he pulled out a lion.

And I submit to you all that our Democratic colleagues once again are reaching in that hat just like Bullwinkle did; and instead of pulling out the magic money, they are going to pull out a tax increase. It is just the way it goes.

So let me just say to everyone, I think we all know we need money to provide services, but right now it seems to me we need something more. We need discipline to rein in spending. We need courage to make the right decisions even when they are hard. And we need a commitment to make sure that every task of government is accomplished more efficiently and more effectively than it ever has been before, because if life is going to change in America, life has got to change here in Washington.

Mr. RYAN of Wisconsin. Mr. Chairman, I yield 2 minutes to the gentleman from New Hampshire (Mr. BRADLEY).

Mr. BRADLEY of New Hampshire. Mr. Chairman, I thank the gentleman for yielding me these 2 minutes. And I would like to respond to the gentleman from Texas who talked about veterans health care.

Let me just run through some of the numbers, because actually we are significantly increasing veterans health care spending in this budget. The 2006 appropriated number was \$33.6 billion for veterans health care. In this budget under the chairman's mark, it was \$36.1 billion. Under an amendment that was supported on a bipartisan basis and

supported by the chairman, we increase that by nearly \$800 million this year and for the next 4 years, bringing the total veterans health care number to \$36.9 billion, which is a 9.8 percent increase.

We all know this is a 1-year budget. We have to continue to support our Nation's veterans, and we will do so. This year's budget allocates 10 percent of the health care dollars for mental health. We know how important that is with veterans returning from Iraq. Over the last several years we have doubled the health care numbers of veterans who are receiving top quality veterans health care from \$2.5 million to \$5 million. Over that 5-year period of time, the veterans health care dollars in the budget have gone from \$21 billion to \$33.6 billion last year, and under this budget, again, as I said before, \$36.9 billion.

We have done other things, too, for veterans over the last 5 years, which have been very significant. We have more than doubled the GI education benefit. We have increased the death benefit for those who have given the ultimate sacrifice to \$100,000. We have increased the VA home loan guarantee by 67 percent. We have expanded national cemeteries. Under the defense bills for the last couple of years, we have increased survivor benefits phased in over the next several years to the 55 percent promised level. And we have finally helped resolve the concurrent receipts disability payments for our Nation's veterans. We have made significant progress for our Nation's veterans. This budget continues that.

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Mr. SPRATT. Mr. Chairman, I yield 3 minutes to the gentleman from Wisconsin (Mr. KIND).

Mr. KIND. Mr. Chairman, I want to thank my good friend and colleague Mr. SPRATT for giving me this time, but also for the leadership he has shown on the Budget Committee of which I am a member and for helping us present an alternative, an alternative for a different direction for our Nation, but also, I think, passes the tests of fairness and decency and reflects the values and the priorities that we have as Americans coming together.

Mr. Chairman, people are entitled to their own opinions, they are entitled to their own ideology, they are entitled to their own spin, but they are not entitled to their own facts. As President Reagan was fond of saying, facts can be a stubborn thing.

The fact of the matter is they have presided over the largest and quickest expansion of our national debt in our Nation's history. Their budget moves forward without pay-as-you-go rules in place, something that we have embraced with our own budget, which led to 4 years of budget surpluses in the 1990s, which actually helped us start paying down the national debt, rather than increasing our dependence on China to be financing these deficits of today.

People are wondering, well, what is the big deal about borrow and spend, borrow and spend, a philosophy they seem to have embraced. The problem is that the borrow-and-spend philosophy asks those who can contribute the least to sacrifice the most, and nothing is more apparent than the difference in our philosophy in regards to our support for the investment in the future of our country, in education, and what they are doing to education programs under their budget resolution.

Their budget calls for another \$4.6 billion of education funding cuts from current funding levels. This follows on the heels of a \$12 billion raid on student aid in the budget reconciliation that they passed earlier this year.

Their budget resolution, which tracks the President's number, calls for the elimination of 42 education programs such as Safe and Drug Free Schools, Education Technology, Even Start Family Literacy program.

Their budget calls for underfunding No Child Left Behind by an additional \$15 billion, leaving that unfunded Federal mandate for States and local school districts to wrestle with, which increases the property tax burden in States like Wisconsin, we are finding.

Their budget also reduces funding for special education from 17.7 percent cost share at the Federal level down to 17 percent cost share, even though we have had a bipartisan attempt in this Congress to reach a 40 percent Federal cost share in special education. Again, another unfunded Federal mandate falling on the laps of local school districts.

Our substitute saves these programs. In fact, it also calls for the reduction of the student interest rate burden that our students are facing when they go on to postsecondary education, making it easier to afford higher education.

Our budget is fully paid for with pay-as-you-go rules. It recognizes the key investment that we have to make in the future of our country, to make sure that higher education is not just a dream for some, but an opportunity for all, because right now under current education policy, close to one-half of low-income students in this country who are qualified and want to go on to school don't because they cannot afford it. That is a recipe for economic disaster.

Our budget addresses that, and I encourage our colleagues to support the Democratic substitute.

Mr. RYAN of Wisconsin. Mr. Chairman, I yield 2 minutes to the gentleman from Michigan (Mr. McCOTTER).

Mr. McCOTTER. Mr. Chairman, it seems that the debate is supposed to offer choices, and today the Republican Party of which I am a proud member offered a choice.

We stood with the President of the United States as we extended the tax relief to prevent the largest tax increase in history on the American people, and yet tonight we cannot seem to draw a clear distinction, and not for lack of trying on our side.

The reality is, with this budget that is before us for debate, is there are two fundamental premises which I think are not only flawed, but which will aggrieve the American taxpayer when they find out what they are.

The first is the concept of PAYGO. We have heard a lot of talk about that. PAYGO means that unless Washington stops spending your money, you continue to pay high taxes. I assure you that that will not be a benefit to you because you will get the short end of the stick.

If the PAYGO provisions are not sufficient, we also see in the budget before us is the concept of the magic asterisk or the tax gap, whereby we will then be dependent upon the receipts of tax deadbeats to continue to spend money. We addressed the tax gap issue in the House Budget Committee by adopting an amendment I put forward with a couple of votes from the minority party which said that any tax gap or delinquent tax money that was recovered would be used for deficit reduction or debt elimination. What we see in the budget before us is that the money that is recovered from delinquent taxes under this will then instead be spent on new programs by the government.

The reality, in my mind, remains quite simply this. If PAYGO does not prove successful, if the Washington politicians somehow continue to spend your money, which is their forte, you will receive no tax relief, and if that is not sufficient for you to feel disgruntled, the reality then becomes that you can have your tax relief held hostage by tax deadbeats, because the reality is, under this budget, you get no tax relief unless a tax deadbeat decides to pay, and that is wrong for the American public. That is simply unfair, and it is unfair not to give a clear choice, with the laudatory talk about tax and spend of the 1990s is insufficient for true debate.

Mr. SPRATT. Mr. Chairman, I yield to the gentleman from California (Mr. GEORGE MILLER) for a unanimous consent request.

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

Mr. GEORGE MILLER of California. Mr. Chairman, I rise in support of the Spratt substitute.

Once again, the Republicans in the House have proved that there is little compassion in their brand of conservatism. If anything, with this budget they are declaring themselves to be fiscally irresponsible; soft on national security, veteran neglecting, anti-tax cuts for the middle class, pro-drug company, against real reform in rural health care as well as making quality education affordable.

I don't know what brand of conservatism you would call that, but it certainly isn't compassionate. If anything it's irrational; irrational conservatism. Because what the GOP proposes to do is wrong for America.

Here's a look:

FISCAL RESPONSIBILITY

The GOP budget calls for deficits for as far as the eye can see, never achieving bal-

ance—adding another \$2.3 trillion to the national debt over the next 5 years.

Democrats propose to lower the deficit over the next 5 years, and get to balance in 6 years. Our plan would reimpose the pay-as-you-go rules, which require that spending increases and tax cuts to be paid for, and which brought us to budget surpluses in 1990s.

MAKES AMERICA SAFER HERE AT HOME?

GOP budget cuts homeland security by almost \$500 this year and \$6.1 billion over 5 years. It is not much better than the President's budget, which eliminates port security grants and rail and transit security grants—rolling them into a larger grant program.

Democrats would provide \$6.5 billion more over the next 5 years for homeland security, thereby guaranteeing funding for port security, first responders, and Justice Assistance Grants.

ADEQUATELY FUNDS VETERANS' PROGRAMS?

The GOP budget cuts funding for veterans' health care by \$6 billion over the next 5 years.

Democrats have a better way, by providing \$6 billion more over the next 5 years for veterans' health care than the GOP budget. Also rejects increases in TRICARE health care costs for more than 3 million military retirees and their families.

TARGETS TAX CUTS TO THE MIDDLE CLASS?

No. The GOP budget follows the President's budget, which provides \$2.5 trillion in tax cuts over the next 10 years, targeted to the very wealthiest taxpayers.

Democrats would provide \$150 billion for middle-class tax relief including child tax credit, marriage penalty relief, and 10 percent individual bracket.

ADDRESSES PROBLEMS WITH THE PRESCRIPTION DRUG BENEFIT?

The GOP budget does nothing to address the serious problems in the confusing and costly Bush Prescription Drug plan.

Democrats would use PPO slush fund and savings from negotiating drug prices to improve the Prescription Drug plan by working to close the donut hole and providing that drug coverage is reliable. We would also extend the enrollment deadline without penalty.

PROVIDES FUNDING FOR KEY DISCRETIONARY HEALTH CARE INITIATIVES?

No. The GOP budget is identical to the Bush budget, which slashes rural health activities, underfunds NIH, and cuts prevention programs at the Centers for Disease Control. It also cuts physician payments by 5 percent each year.

Democrats would provide \$18 billion more over the next 5 years for discretionary health care programs than the GOP budget, including NIH and the Centers for Disease Control. And we would provide for an increase in Medicare physician payments in 2007.

MAKES COLLEGE MORE AFFORDABLE?

No. The GOP Budget is identical to the Bush budget, which freezes Pell Grants for college and denies more than 460,000 students low-cost loans. This is on top of the \$12 billion cut in student loan funding that Republicans just enacted.

Democrats reject the GOP cuts in higher education programs. We would also lower the cost of student loans—cutting the interest rate on student loans in half in 2007.

EXPANDS EDUCATIONAL OPPORTUNITY?

No. The GOP Budget is identical to the Bush budget, which underfunds No Child Left

Behind by 39 percent, denying extra math and reading help to 3.7 million children and shutting 2 million children out of afterschool programs.

Democrats would provide \$4.6 billion more in 2007 and \$45.3 billion more over the next 5 years for education and training programs than the GOP budget.

PROVIDES FUNDING FOR KEY ENVIRONMENTAL PROTECTION INITIATIVES?

No. The GOP budget is similar to the Bush budget, which slashes Clean Water funds by 22 percent, cuts Safe Drinking Water funds, and underfunds land and water conservation programs.

Democrats would provide \$2.9 billion more in 2007 and \$25 billion more over the next 5 years for environmental protection programs than the GOP budget.

Mr. SPRATT. Mr. Chairman, I yield myself 30 seconds.

Let me just point out to the gentleman that amongst those who support the idea of closing the tax gap, using it in the budget, is the President himself. In his 2006 budget, he requested \$446 million in extra funding for tax enforcement. The Senate side has bought into the idea. They have provided in the 2007 budget resolution \$500 million, unanimously approved in the Senate for the same purpose. So it is not just a pipe dream by any means. It is something we should be about.

What we are simply proposing in PAYGO is what Mr. Greenspan asked on three occasions before our committee strongly recommended, that we reinstate the rules.

Mr. Chairman, I yield the remaining time to close to the gentlewoman from California (Ms. PELOSI), our distinguished minority leader.

Ms. PELOSI. Mr. Chairman, I thank the gentleman from South Carolina for yielding and acknowledge his tremendous leadership of putting forth the Spratt Democratic budget, which reflects the values of our country and is in balance.

Mr. Chairman, our most important responsibility as elected officials is to provide for the common defense. Keeping the American people safe is our first responsibility. That personal safety and America's national security are seriously jeopardized by the Republican budget. A vote for the Spratt Democratic alternative is a vote for a safer and more secure America.

Close to home in our neighborhoods, the Republican budget slashes funding for our first responders, including the COPS program and the SAFER Act, initiatives which put cops on the beat and equip our firefighters. The Spratt Democratic budget restores all of these cuts.

The Republican budget cuts homeland security funding by over \$450 million in fiscal year 2007 and \$6 billion over 5 years. I repeat, when it comes to our homeland security, the Republican budget cuts over \$450 million for fiscal year 2007 alone and \$6 billion over 5 years. The Democratic budget provides \$1 billion more for port security and overall \$6.5 billion more to keep our country safe.

The Republican budget continues to hide the cost of the Iraq war from the American public and cuts the Army National Guard strength by more than 17,000 troops despite the tremendous strain that the war has placed on them and now the additional charge that the President has made of them on immigration. The Democratic budget fully funds our Army National Guard.

The Republican budget betrays our veterans by cutting \$6 billion over the next 5 years from current services and tripling TRICARE health fees. Mr. SPRATT's budget, the Democratic budget, keeps our commitment to veterans.

Republicans are abandoning our veterans and failing to invest in America's safety in order to give huge tax cuts to the wealthy that leave Americans awash in red ink.

Today the President signed a tax bill. Tonight, in this budget, we have to deal with the consequences of those tax cuts, largely for the wealthiest people in America. Under the President's bill and passed by this Republican Congress, Americans making \$20,000 a year will receive \$2 a year in tax cuts; \$20,000, \$2. Americans making \$40,000 a year will receive \$16, barely enough for a couple to go to the movies. Those making \$50,000 a year will receive a \$46 tax cut, barely enough to fill up your gas tank these days, thanks to Mr. CHENEY's energy policy. But if you make more than \$1 million a year, \$1 million a year, you get 1,000 times what somebody making \$50,000 a year gets. You make \$42,000 in tax cuts. Fifty thousand dollars a year, you can barely fill up your tank; \$1 million a year, you can buy a luxury car because the American taxpayers are giving you \$42,000.

In effect, American taxpayers are going into debt to China in order to give a tax cut to America's wealthiest people. When Republicans spend the Federal budget into the red, the U.S. Treasury borrows money from foreign countries. Since President Bush took office, the amount of foreign-owned debt has increased by over \$1 trillion. In fact, it is more than all of the foreign-owned debt of the 42 previous Presidents combined, a horrible record.

The Japanese now own about \$670 billion and the Chinese own \$260 billion of our foreign debt. Our national debt is a national security issue. Countries that own our debt will not only be making our toys, our clothes and our computers, pretty soon they will be making our foreign policy. They have far too much leverage over us.

While the Republican budget is never balanced and has deficits as far as the eye can see, the Democratic budget, the Spratt substitute, reaches balance by 2012 and follows the strict pay-as-you-go rules, no deficit spending.

Instead of investing in our veterans, instead of securing our ports, the Republican policy of tax cuts for the wealthy have meant that the interest payments to foreign countries are the fastest-growing item in this budget.

Democrats take seriously our first responsibility to provide for the common defense. Our Democratic budget reflects that commitment. Mr. SPRATT is not only the ranking Democrat on the Budget Committee, he is a very senior member of the Armed Services Committee, and his commitment to tough and smart national security for our country where we project America's power to protect our people and protect our interests throughout the world is a strong commitment, and his, Mr. SPRATT's, patriotism and his commitment to our national security, they are reflected in this budget that he has proposed. He has helped create a Democratic budget that makes us all proud, and he does it in a fiscally sound way.

I urge our colleagues to support the Spratt substitute and to reject the unpatriotic, irresponsible and, as the religious community says, immoral budget that the Republicans are proposing tonight.

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

Mr. Chairman, on unpatriotic, irresponsible, immoral, wow, those are big words. First, a couple of facts. Veterans spending, defense spending, homeland security spending, they are increased in the budget. They are not cut. They are not savagely cut. Increased.

Let us talk about the differences between the Spratt Democrat substitute and the majority budget that is on the floor here today.

Number one, we believe it is important that we reform government. Just because we take our taxpayer dollars and spend them on government programs does not mean we cannot always look at reforming government. That is why this budget proposes reconciliation, going and looking and trying to find savings on the 60 percent of the Federal budget that is entitlement. They do not even touch that part of the budget. We are saying let us do it every year. That is important reform, number one.

Number two, we are trying to bring some common sense to the emergency spending process. Far too long in Congress, Congress has been able to declare virtually anything an emergency. Not anymore. We are saying if we are going to do emergency spending, it has to fit a tight definition of what truly is an emergency, an act of terrorism, a natural disaster, an act of war, things like that.

□ 2345

And more importantly, Mr. Chairman, we are going to budget for those emergencies because we always know that there is going to be that hurricane, that tornado, or that flood. That is smart and prudent budgeting. That is what we do. The Democrat substitute doesn't do any of that.

But where is the real difference? The real difference is this: we believe that the money that is made in America is

the individual's money. We believe that the fruit of the labor of people who are working hard and paying taxes is theirs. It is their money. That is different from the premise on the other side of the aisle.

Let me explain it. One of the great things we accomplished in the 2003 tax cuts were that we saw that the vast majority of income tax ratepayers, the top ratepayers, were small businesses; yet we were taxing them at 40 percent when we were taxing IBM, Microsoft, and Exxon at 35 percent. So we lowered that tax rate on small businesses, on entrepreneurs, on family businesses and on farmers so they are at least not paying more taxes than the largest corporations in America.

What did the Democrats decide to do? Raise those taxes. Let's make sure we raise taxes on family farmers, raise taxes on small businesses so that that small business in America, the job-creating engine of America, pays higher taxes than Exxon and Microsoft and IBM. That is wrong. I think that is immoral. I think that is irresponsible. Yet that is what they are proposing to do.

You know what they are saying to the rest of America? You know what they are saying to the families that are getting a per-child tax credit, people who are married and who aren't paying a marriage penalty any more, people who are trying to save to send their kids to school, people who are saving for their IRAs or their pensions or their 401(k)s? You know what they are saying? They are saying to those people, if you don't want a massive tax increase, if you don't want a huge tax increase, we have to make sure we go after deadbeat tax cheats. And if we can collect more money from tax cheats, then we won't raise your taxes.

But if the government can't collect money from tax cheats, if the IRS can't do a good enough job and go get an extra \$772 billion, then we are going to raise your taxes. That is what their budget proposal is. And on top of that, they propose even more spending.

Reject tax increases, reject high spending, and, Mr. Chairman, let us hold the line on domestic spending. Let's fund our veterans, let's protect our troops, let's support the war on terror, and let's not raise taxes. Defeat the Spratt substitute and support the majority budget.

Mr. BISHOP of Georgia. Mr. Chairman, I rise today in support of the Democratic Substitute Budget for fiscal year 2007. As a member of the Blue Dog Coalition I have fought for a balanced budget that represents our Nation's ideals. I believe that this Democratic amendment is the appropriate path for us to reach that goal.

This amendment promises to provide the fiscal discipline that is lacking in the Majority's proposed budget, which will allow us to achieve balance in less than 10 years. By 2012 our Nation's fiscal health will be restored, while providing for \$150 billion in future middle-class tax cuts and matching or exceeding the Majority's proposed spending for national defense and domestic programs.

The current budget threatens the programs that our people depend on—Medicare, veterans' benefits, pension programs, and human services are in jeopardy yet again. The Spratt Substitute protects these crucial programs and the millions of Americans who have earned access to them.

This Democratic proposal matches the Republican budget dollar-for-dollar on National Defense and Homeland Security, while increasing funds for our troops and their families, preventing terrorists from accessing weapons of mass destruction, and fully adopting the recommendations of the bipartisan 9/11 Commission.

Mr. Chairman, this Congress's irresponsible spending must be stopped and the Democratic proposal will do just that. With pay-as-you-go rules, unwavering support for national security, and moral allocations of money to those who need it most, this Democratic proposal is a rock-solid budget with American values and I ask for your support.

Mr. HOLT. Mr. Chairman, I rise in opposition to the Republican budget resolution. The Republican budget resolution is no plan to bring the budget back to balance. The Republican budget includes a deficit for 2006 of \$372 billion, and a deficit for 2007 of \$348 billion. These deficits mean that, under Republican policies, the five largest deficits in history will have occurred in five consecutive years. Over the next five years (2007–2011), the budget resolution calls for deficits totaling \$1.1 trillion.

Since this Administration took office, it has requested and the Congress has provided four increases in the statutory debt ceiling totaling \$3 trillion. Under this budget, by 2011 the statutory debt will increase by another \$2.3 trillion, for a total increase of \$5.3 trillion. It will leave the statutory debt at a record level of \$11.3 trillion. The President's reckless economic policies have doubled our nation's debt. Further, I am concerned by the amount of the debt that has been accumulated by foreign banks, individuals and governments. In 1980, 17 percent of the federal debt held by the public was in foreign hands. By 2006, 45 percent of the debt held by the public was owned overseas. Unfortunately, this trend seems to be increasing rapidly. During the past year, approximately 90 percent of the debt we have accumulated has been purchased by foreign banks, individuals and governments.

I support the Representative JOHN SPRATT'S alternative budget, which would reach balance in 2012. The Spratt budget also has smaller deficits than the Republican budget, and accumulates less debt. By contrast, the Republican budget never returns to balance, and even refuses to show how big its deficits will be after 2011. The Spratt budget backs the two-sided Pay-As-You-Go (PAYGO) budget enforcement rules that require that the cost of any new mandatory spending or revenue legislation be fully offset. During the 1990s, two-sided PAYGO rules played a critical role in turning record deficits to record surpluses. The Spratt budget also requires a separate vote to increase the debt limit, and prohibits using fast-track reconciliation procedures to make the deficit worse.

The Republican budget cuts appropriations for domestic services by \$9.4 billion relative to current services, and by \$3.2 billion below the level passed by Republicans in the Senate. Meanwhile, the budget continues Medicare subsidies close to \$60 billion for managed

care providers of Medicare even though they are supposed to save Medicare money, not cost more. The resolution also includes \$228 billion over five years for additional tax cuts, part of a \$3 trillion ten-year Republican tax cut agenda.

The Republican resolution cuts appropriated funding for education and related programs below current services, providing the same inadequate level as provided by the President. For 2007, that Republican level cuts funding for the Department of Education by \$2.2 billion below last year's comparable level, and eliminates 42 education programs.

The Spratt budget provides \$4.6 billion more than the Republican budget for education appropriations, and over five years provides \$45.3 billion more than the Republican resolution. The Spratt budget rejects the deep cuts proposed by the Republican budget, and preserves programs such as vocational education, Perkins loans, Safe and Drug-Free Schools state grants, and the GEAR-UP college readiness program. The Spratt budget also makes a down payment on college affordability by cutting student loan interest rates.

After a temporary one year gain, the Republican budget after five years cuts funding for veterans' health care by \$6.0 billion below current services. The Spratt budget includes \$6.0 billion more than the Republican budget over five years for veterans' health care. The Spratt budget also rejects the increase on health care fees on military retirees who are enrolled in Tricare. The Republican budget asks additional sacrifices from those who have served and sacrificed for our country; the Spratt budget rejects the misguided Republican policies and keeps our commitment to our veterans.

The Republican budget cuts funding for health by \$18.1 billion below current services over five years, the same insufficient level provided by the President. The Republican level means cuts to priorities such as the Centers for Disease Control, 18 of 19 institutes at the National Institutes of Health, and rural health activities.

The Spratt budget provides \$18 billion more over five years to fund health priorities cut by the Republican budget, including medical research at NIH and graduate medical education for children's hospitals. The Spratt budget also takes steps to address the problems with the implementation of the Medicare prescription drug benefit, including extending the May 15 sign-up period through the end of year and protecting seniors from any enrollment penalties. The Spratt budget also takes steps to help the uninsured, and creates a reserve fund to increase Medicare payments to physicians, which are currently scheduled to be cut.

For the environment and natural resources, this Republican budget imposes a \$25.0 billion cut relative to current services over the next five years and imposes a \$2.9 billion cut for next year alone. This is the same level as the President's budget, which cuts funding for the Environmental Protection Agency (including the Clean Water State Revolving Fund), the Army Corps of Engineers, and the National Park Service.

Mr. Chairman, the House Republican budget resolution actually makes the deficit worse, offers no plan to bring the budget back to balance, and adds to the growing burden of the national debt. Meanwhile, the Republican budget makes harmful cuts to critical services

for the American people—including education, veterans' services, health, and environmental protection. I ask my colleagues to oppose this budget and support the Spratt alternative budget.

Mr. LARSON of Connecticut. Mr. Chairman, I regret that I could not be present today because of a family medical emergency. I am in strong opposition to the Republican's budget plan and in support of the Democratic alternative. This budget bill represents how out of touch the Republican Majority is with the needs of the American public.

The budget is a moral document and this budget highlights the priorities of the Republican leadership—cutting more taxes for the wealthy while making harmful cuts to critical programs for working families—including health, education, veterans' services and environmental protection. Most concerning about this budget is that it continues the Republican record of huge deficits and irresponsible debt accumulation. This budget plan writes a check that Congress cannot cash without increasing the debt limit to \$9.618 trillion—hidden on page 121 of the report accompanying the budget resolution is a provision that will automatically increase the debt limit by \$653 billion.

In contrast, the Democratic budget alternative would balance the federal budget by 2012 and immediately stop the Majority's record of increasing the national debt, again and again. Among other things, the Democratic alternative would reinstate the effective pay-as-you-go (PAYGO) budget rules to eliminate deficit spending and give the American people a budget that is fair and responsible. The Democratic alternative would provide \$4.6 billion more for education; would provide \$18 billion more for health programs over 5 years, which includes medical research at the National Institute of Health and the Centers for Disease Control and would protect seniors from Medicare prescription drug enrollment penalties; would provide \$8.6 billion more for our veterans in healthcare over five years and rejects increases in fees for military retirees enrolled in Tricare; and finally would provide \$2.9 billion more for environmental protection and conservation programs.

The Republican budget resolution does not reflect the priorities of the American people. As Members of Congress, we cannot abandon our obligations to our children, to our parents and future generations by cutting vital programs and increasing the debt limit to finance tax cuts bigger than we can afford and hiding the true cost of the ongoing war in Iraq. I urge my colleagues to reject the underlying bill and support the Democratic budget alternative.

The Acting CHAIRMAN. All time has expired.

The question is on the amendment offered by the gentleman from South Carolina (Mr. SPRATT).

The question was taken; and the Acting Chairman announced that the noes appeared to have it.

Mr. SPRATT. Mr. Chairman, I demand a recorded vote.

The Acting CHAIRMAN. Pursuant to clause 6 of rule XVIII, further proceedings on the amendment offered by the gentleman from South Carolina will be postponed.

SEQUENTIAL VOTES POSTPONED IN COMMITTEE OF THE WHOLE

The Acting CHAIRMAN. Pursuant to clause 6 of rule XVIII, proceedings will now resume on those amendments on which further proceedings were postponed, in the following order:

Amendment No. 2 offered by Mr. HENSARLING of Texas.

Amendment made in order in lieu of amendment No. 3 offered by Mr. SPRATT of South Carolina.

The Chair will reduce to 5 minutes the time for the second vote in this series.

AMENDMENT NO. 2 OFFERED BY MR. HENSARLING

The Acting CHAIRMAN. The pending business is the demand for a recorded vote on the amendment offered by the gentleman from Texas (Mr. HENSARLING) on which further proceedings were postponed and on which the noes prevailed by voice vote.

The Clerk will redesignate the amendment.

The Clerk redesignated the amendment.

RECORDED VOTE

The Acting CHAIRMAN. A recorded vote has been demanded.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 94, noes 331, answered “present” 1, not voting 6, as follows:

[Roll No. 156]

AYES—94

- Akin, Bachus, Baker, Barrett (SC), Barton (TX), Beauprez, Billirakis, Bishop (UT), Blackburn, Blunt, Boehner, Boozman, Brady (TX), Brown-Waite, Ginny, Burton (IN), Buyer, Campbell (CA), Cannon, Cantor, Carter, Chabot, Chocola, Coble, Cole (OK), Conaway, Deal (GA), Dreier, Duncan, Feeney, Flake, Forbes, Foxx, Franks (AZ), Garrett (NJ), Gibbons, Gingrey, Gohmert, Goodlatte, Gutknecht, Harris, Hayes, Hayworth, Hefley, Hensarling, Herger, Hoekstra, Hostettler, Inglis (SC), Issa, Istook, Johnson, Sam, King (IA), Kingston, Kline, Linder, Lungren, Daniel E., Mack, Manzullo, Marchant, McHenry, McMorris, Mica, Miller (FL), Moran (KS), Musgrave, Myrick, Neugebauer, Norwood, Otter, Oxley, Paul, Pearce, Pence, Pitts, Price (GA), Radanovich, Rohrabacher, Royce, Ryan (WI), Ryun (KS), Sensenbrenner, Sessions, Shadegg, Shuster, Stearns, Sullivan, Tancredo, Taylor (NC), Terry, Thornberry, Tiahrt, Westmoreland, Wilson (SC), Young (FL), Akin, Bachus, Baker, Barrett (SC), Barton (TX), Beauprez, Billirakis, Bishop (UT), Blackburn, Blunt, Boehner, Boozman, Brady (TX), Brown-Waite, Ginny, Burton (IN), Buyer, Campbell (CA), Cannon, Cantor, Carter, Chabot, Chocola, Coble, Cole (OK), Conaway, Deal (GA), Dreier, Duncan, Feeney, Flake, Forbes, Foxx, Franks (AZ), Garrett (NJ), Gibbons, Gingrey, Gohmert, Goodlatte, Gutknecht, Harris, Hayes, Hayworth, Hefley, Hensarling, Herger, Hoekstra, Hostettler, Inglis (SC), Issa, Istook, Johnson, Sam, King (IA), Kingston, Kline, Linder, Lungren, Daniel E., Mack, Manzullo, Marchant, McHenry, McMorris, Mica, Miller (FL), Moran (KS), Musgrave, Myrick, Neugebauer, Norwood, Otter, Oxley, Paul, Pearce, Pence, Pitts, Price (GA), Radanovich, Rohrabacher, Royce, Ryan (WI), Ryun (KS), Sensenbrenner, Sessions, Shadegg, Shuster, Stearns, Sullivan, Tancredo, Taylor (NC), Terry, Thornberry, Tiahrt, Westmoreland, Wilson (SC), Young (FL)

NOES—331

- Abercrombie, Ackerman, Aderholt, Alexander, Allen, Andrews, Baca, Baird, Baldwin, Barrow, Bartlett (MD), Bass, Bean, Becerra, Berkley, Berman, Berry, Biggert, Bishop (GA), Bishop (NY), Blumenauer, Boehlert, Bonilla, Bonner, Bono, Boren, Boswell, Boucher, Boustany, Boyd, Bradley (NH), Brady (PA), Brown (OH), Brown (SC), Brown, Corrine, Burgess, Butterfield, Calvert, Camp (MI), Capito, Capps, Capuano, Cardin, Cardoza, Carnahan, Carson, Case, Castle, Abercrombie, Ackerman, Allen, Andrews, Baca, Baird, Baldwin, Barrow, Bartlett (MD), Bass, Bean, Becerra, Berkley, Berman, Berry, Biggert, Bishop (GA), Bishop (NY), Blumenauer, Boehlert, Bonilla, Bonner, Bono, Boren, Boswell, Boucher, Boustany, Boyd, Bradley (NH), Brady (PA), Brown (OH), Brown (SC), Brown, Corrine, Burgess, Butterfield, Calvert, Camp (MI), Capito, Capps, Capuano, Cardin, Cardoza, Carnahan, Carson, Case, Castle, Brown (OH), Brown (SC), Brown, Corrine, Burgess, Butterfield, Calvert, Camp (MI), Capito, Capps, Capuano, Cardin, Cardoza, Carnahan, Carson, Case, Castle

- Chandler, Clay, Cleaver, Clyburn, Conyers, Cooper, Costa, Costello, Cramer, Crenshaw, Crowley, Cubin, Cuellar, Culberson, Cummings, Davis (AL), Davis (CA), Davis (FL), Davis (IL), Davis (KY), Davis (TN), Davis, Jo Ann, Davis, Tom, DeFazio, DeGette, Delahunt, DeLauro, DeLay, Dent, Diaz-Balart, L., Diaz-Balart, M., Dicks, Dingell, Doggett, Doolittle, Doyle, Drake, Edwards, Ehlers, Emanuel, Emerson, Engel, English (PA), Eshoo, Etheridge, Everrett, Farr, Fattah, Ferguson, Filner, Fitzpatrick (PA), Foley, Ford, Fortenberry, Fossella, Frank (MA), Frelinghuysen, Gallegly, Gerlach, Gilchrest, Gillmor, Gonzalez, Goode, Gordon, Granger, Graves, Green (WI), Green, Al, Green, Gene, Grijalva, Gutierrez, Hall, Harman, Hart, Hastings (FL), Hastings (WA), Herseth, Higgins, Hinchey, Hinojosa, Hobson, Holden, Holt, Honda, Hooley, Hoyer, Hulshof, Hunter, Hyde, Insole, Israel, Jackson (IL), Jackson-Lee (TX), Jefferson, Jenkins, Jindal, Johnson (CT), Johnson (IL), Johnson, E. B., Jones (NC), Jones (OH), Kanjorski, Kaptur, Keller, Kelly, Kennedy (MN), Kildee, Kilpatrick (MI), Kind, King (NY), Kirk, Knollenberg, Kolbe, Kucinich, LaHood, Langevin, Lantos, Larsen (WA), Latham, LaTourette, Leach, Lee, Levin, Lewis (CA), Lewis (GA), Lewis (KY), Lipinski, LoBiondo, Lofgren, Zoe, Lowey, Lucas, Lynch, Maloney, Markey, Marshall, Matheson, Matsui, McCarthy, McCaul (TX), McCollum (MN), McCotter, McCreery, McDermott, McGovern, McHugh, McIntyre, McKeon, McKinney, McNulty, Meehan, Meeke (FL), Meeke (NY), Melancon, Michaud, Millender, McDonald, Miller (MI), Miller (NC), Miller, Gary, Miller, George, Mollohan, Moore (KS), Moore (WI), Moran (VA), Murphy, Murtha, Nadler, Napolitano, Neal (MA), Ney, Northup, Nunes, Nussle, Oberstar, Obey, Oliver, Ortiz, Osborne, Owens, Pallone, Pascrell, Pastor, Payne, Pelosi, Peterson (MN), Peterson (PA), Petri, Pickering, Platts, Poe, Pombo, Pomeroy, Porter, Price (NC), Pryce (OH), Putnam, Rahall, Ramstad, Rangel, Regula, Rehberg, Reichert, Renzi, Reyes, Reynolds, Rogers (AL), Rogers (KY), Rogers (MI), Ros-Lehtinen, Ross, Rothman, Roybal-Allard, Ruppersberger, Rush, Ryan (OH), Sabo, Salazar, Lee, Sanchez, Loretta, Sanders, Saxton, Schakowsky, Schiff, Schmidt, Schwartz (PA), Schwarz (MI), Scott (GA), Scott (VA), Serrano, Shaw, Shays, Sherman, Sherwood, Simmons, Simpson, Skelton, Slaughter, Smith (NJ), Smith (TX), Smith (WA), Snyder, Sodrel, Solis, Souder, Spratt, Stark, Strickland, Sweeney, Tanner, Tauscher, Taylor (MS), Thomas, Thompson (CA), Thompson (MS), Tiberi, Tierney, Towns, Turner, Udall (CO), Udall (NM), Upton, Van Hollen, Velázquez, Visclosky, Walden (OR), Walsh, Wamp, Wasserman, Schultz, Waters, Watson, Watt, Waxman, Weiner, Weldon (FL), Weldon (PA), Weller, Wexler, Whitfield, Wicker, Wilson (NM), Wolf, Woolsey, Wu, Wynn, Young (AK), Chandler, Clay, Cleaver, Clyburn, Conyers, Cooper, Costa, Costello, Cramer, Crenshaw, Crowley, Cubin, Cuellar, Culberson, Cummings, Davis (AL), Davis (CA), Davis (FL), Davis (IL), Davis (KY), Davis (TN), Davis, Jo Ann, Davis, Tom, DeFazio, DeGette, Delahunt, DeLauro, DeLay, Dent, Diaz-Balart, L., Diaz-Balart, M., Dicks, Dingell, Doggett, Doolittle, Doyle, Drake, Edwards, Ehlers, Emanuel, Emerson, Engel, English (PA), Eshoo, Etheridge, Everrett, Farr, Fattah, Ferguson, Filner, Fitzpatrick (PA), Foley, Ford, Fortenberry, Fossella, Frank (MA), Frelinghuysen, Gallegly, Gerlach, Gilchrest, Gillmor, Gonzalez, Goode, Gordon, Granger, Graves, Green (WI), Green, Al, Green, Gene, Grijalva, Gutierrez, Hall, Harman, Hart, Hastings (FL), Hastings (WA), Herseth, Higgins, Hinchey, Hinojosa, Hobson, Holden, Holt, Honda, Hooley, Hoyer, Hulshof, Hunter, Hyde, Insole, Israel, Jackson (IL), Jackson-Lee (TX), Jefferson, Jenkins, Jindal, Johnson (CT), Johnson (IL), Johnson, E. B., Jones (NC), Jones (OH), Kanjorski, Kaptur, Keller, Kelly, Kennedy (MN), Kildee, Kilpatrick (MI), Kind, King (NY), Kirk, Knollenberg, Kolbe, Kucinich, LaHood, Langevin, Lantos, Larsen (WA), Latham, LaTourette, Leach, Lee, Levin, Lewis (CA), Lewis (GA), Lewis (KY), Lipinski, LoBiondo, Lofgren, Zoe, Lowey, Lucas, Lynch, Maloney, Markey, Marshall, Matheson, Matsui, McCarthy, McCaul (TX), McCollum (MN), McCotter, McCreery, McDermott, McGovern, McHugh, McIntyre, McKeon, McKinney, McNulty, Meehan, Meeke (FL), Meeke (NY), Melancon, Michaud, Millender, McDonald, Miller (MI), Miller (NC), Miller, Gary, Miller, George, Mollohan, Moore (KS), Moore (WI), Moran (VA), Murphy, Murtha, Nadler, Napolitano, Neal (MA), Ney, Northup, Nunes, Nussle, Oberstar, Obey, Oliver, Ortiz, Osborne, Owens, Pallone, Pascrell, Pastor, Payne, Pelosi, Peterson (MN), Peterson (PA), Petri, Pickering, Platts, Poe, Pombo, Pomeroy, Porter, Price (NC), Pryce (OH), Putnam, Rahall, Ramstad, Rangel, Regula, Rehberg, Reichert, Renzi, Reyes, Reynolds, Rogers (AL), Rogers (KY), Rogers (MI), Ros-Lehtinen, Ross, Rothman, Roybal-Allard, Ruppersberger, Rush, Ryan (OH), Sabo, Salazar, Lee, Sanchez, Loretta, Sanders, Saxton, Schakowsky, Schiff, Schmidt, Schwartz (PA), Schwarz (MI), Scott (GA), Scott (VA), Serrano, Shaw, Shays, Sherman, Sherwood, Simmons, Simpson, Skelton, Slaughter, Smith (NJ), Smith (TX), Smith (WA), Snyder, Sodrel, Solis, Souder, Spratt, Stark, Strickland, Sweeney, Tanner, Tauscher, Taylor (MS), Thomas, Thompson (CA), Thompson (MS), Tiberi, Tierney, Towns, Turner, Udall (CO), Udall (NM), Upton, Van Hollen, Velázquez, Visclosky, Walden (OR), Walsh, Wamp, Wasserman, Schultz, Waters, Watson, Watt, Waxman, Weiner, Weldon (FL), Weldon (PA), Weller, Wexler, Whitfield, Wicker, Wilson (NM), Wolf, Woolsey, Wu, Wynn, Young (AK)

ANSWERED “PRESENT”—1

- Shimkus

NOT VOTING—6

- Evans, Kennedy (RI), Kuhl (NY), Larson (CT), Sánchez, Linda T., Stupak

□ 0016

Mr. SIMPSON, Mr. INSLEE and Mrs. JO ANN DAVIS of Virginia changed their vote from “aye” to “no.”

Mr. SULLIVAN, Mr. MACK and Mr. BOOZMAN changed their vote from “no” to “aye.”

Messrs. CROWLEY, NEAL of Massachusetts, RUSH, STARK, CRAMER, THOMPSON of California, FRANK of Massachusetts, ORTIZ, McDERMOTT, HASTINGS of Florida, RUPPERSBERGER, CLAY, THOMPSON of Mississippi, AL GREEN of Texas, HINCHEY, CLEAVER, CAPUANO, DELAHUNT, COSTA and SKELTON and Ms. PELOSI, Ms. JACKSON-LEE of Texas and Ms. SCHAKOWSKY changed their vote from “present” to “no.”

So the amendment was rejected.

The result of the vote was announced as above recorded.

AMENDMENT MADE IN ORDER IN LIEU OF AMENDMENT NO. 3 OFFERED BY MR. SPRATT

The Acting CHAIRMAN. The pending business is the demand for a recorded vote on the amendment offered by the gentleman from South Carolina (Mr. SPRATT) on which further proceedings were postponed and on which the noes prevailed by voice vote.

The Clerk will redesignate the amendment.

The Clerk redesignated the amendment.

RECORDED VOTE

The Acting CHAIRMAN. A recorded vote has been demanded.

A recorded vote was ordered.

The Acting CHAIRMAN. This will be a 5-minute vote.

The vote was taken by electronic device, and there were—ayes 184, noes 241, not voting 7, as follows:

[Roll No. 157]

AYES—184

- Abercrombie, Ackerman, Allen, Andrews, Baca, Baird, Baldwin, Becerra, Berkley, Berman, Berry, Bishop (GA), Bishop (NY), Blumenauer, Boswell, Boucher, Boyd, Brady (PA), Brown (OH), Brown, Corrine, Butterfield, Capps, Capuano, Cardin, Cardoza, Carnahan, Carson, Case, Chandler, Clay, Cleaver, Clyburn, Conyers, Cooper, Costa, Cramer, Crowley, Cuellar, Cummings, Davis (AL), Davis (CA), Davis (FL), Davis (IL), Davis (TN), DeFazio, DeGette, Delahunt, DeLauro, Dicks, Dingell, Doggett, Doyle, Edwards, Emanuel, Engel, Eshoo, Etheridge, Farr, Fattah, Filner, Ford, Frank (MA), Gonzalez, Gordon, Green, Al, Green, Gene, Grijalva, Gutierrez, Harman, Hastings (FL), Herseth, Higgins, Hinchey, Hinojosa, Holden, Holt, Honda, Hooley, Hoyer, Insole, Israel, Jackson (IL), Jackson-Lee (TX), Jefferson, Johnson, E. B., Jones (OH), Kaptur, Kildee, Kilpatrick (MI), Kind, Langevin, Lantos, Larsen (WA), Lee, Levin, Abercrombie, Ackerman, Allen, Andrews, Baca, Baird, Baldwin, Barrow, Bartlett (MD), Bass, Bean, Becerra, Berkley, Berman, Berry, Biggert, Bishop (GA), Bishop (NY), Blumenauer, Boehlert, Bonilla, Bonner, Bono, Boren, Boswell, Boucher, Boustany, Boyd, Bradley (NH), Brady (PA), Brown (OH), Brown (SC), Brown, Corrine, Burgess, Butterfield, Calvert, Camp (MI), Capito, Capps, Capuano, Cardin, Cardoza, Carnahan, Carson, Case, Castle, Green, Al, Green, Gene, Grijalva, Gutierrez, Harman, Hastings (FL), Herseth, Higgins, Hinchey, Hinojosa, Holden, Holt, Honda, Hooley, Hoyer, Insole, Israel, Jackson (IL), Jackson-Lee (TX), Jefferson, Johnson, E. B., Jones (OH), Kaptur, Kildee, Kilpatrick (MI), Kind, Langevin, Lantos, Larsen (WA), Lee, Levin

Lewis (GA) Obey
Lipinski Olver
Lofgren, Zoe Ortiz
Lowey Owens
Lynch Pallone
Maloney Pascrell
Markey Pastor
Matsui Payne
McCarthy Pelosi
McCollum (MN) Peterson (MN)
McDermott Pomeroy
McGovern Price (NC)
McIntyre Rahall
McKinney Rangel
McNulty Reyes
Meehan Ross
Meek (FL) Rothman
Meeks (NY) Roybal-Allard
Michaud Ruppertsberger
Millender- Rush
McDonald Ryan (OH)
Miller (NC) Sabo
Miller, George Sánchez, Linda
Mollohan T.
Moore (KS) Sanchez, Loretta
Moore (WI) Sanders
Moran (VA) Schakowsky
Nadler Schiff
Napolitano Schwartz (PA)
Neal (MA) Scott (GA)
Oberstar Scott (VA)

NOES—241

Aderholt Feeney
Akin Ferguson
Alexander Fitzpatrick (PA)
Bachus Flake
Baker Foley
Barrett (SC) Forbes
Barrow Fortenberry
Bartlett (MD) Fossella
Barton (TX) Foxx
Bass Franks (AZ)
Bean Frelinghuysen
Beauprez Gallegly
Biggart Garrett (NJ)
Bilirakis Gerlach
Bishop (UT) Gibbons
Blackburn Gilchrest
Blunt Gillmor
Boehlert Gingrey
Boehner Gohmert
Bonilla Goode
Bonner Goodlatte
Bono Granger
Boozman Graves
Boren Green (WI)
Boustany Gutknecht
Bradley (NH) Hall
Brady (TX) Harris
Brown (SC) Hart
Brown-Waite, Hastings (WA)
Ginny Hayes
Burgess Hayworth
Burton (IN) Hefley
Buyer Hensarling
Calvert Herger
Camp (MI) Hobson
Campbell (CA) Hoekstra
Cannon Hostettler
Cantor Hulshof
Capito Hunter
Carter Hyde
Castle Inglis (SC)
Chabot Issa
Chocola Istook
Coble Jenkins
Cole (OK) Jindal
Conaway Johnson (CT)
Costello Johnson (IL)
Crenshaw Johnson, Sam
Cubin Jones (NC)
Culberson Kanjorski
Davis (KY) Keller
Davis, Jo Ann Kelly
Davis, Tom Kennedy (MN)
Deal (GA) King (IA)
DeLay King (NY)
Dent Kingston
Diaz-Balart, L. Kirk
Diaz-Balart, M. Kline
Doolittle Knollenberg
Drake Kolbe
Dreier Kucinich
Duncan LaHood
Ehlers Latham
Emerson LaTourette
English (PA) Leach
Everett Lewis (CA)

Sherman
Skelton
Slaughter
Smith (WA)
Snyder
Solis
Spratt
Strickland
Tanner
Tauscher
Thompson (CA)
Thompson (MS)
Towns
Udall (CO)
Udall (NM)
Van Hollen
Velázquez
Visclosky
Wasserman
Schultz
Waters
Watson
Watt
Waxman
Weiner
Wexler
Woolsey
Wu
Wynn

Saxton
Schmidt
Schwarz (MI)
Sessions
Sensenbrenner
Snyder
Shadegg
Shaw
Shays
Sherwood
Shimkus
Shuster
Simmons
Simpson
Tierney
Smith (NJ)
Smith (TX)

Sodrel
Souder
Stark
Stearns
Sullivan
Sweeney
Tancredo
Taylor (MS)
Taylor (NC)
Terry
Thomas
Thornberry
Tiahrt
Tiberi
Turner

Upton
Walden (OR)
Walsh
Wamp
Weldon (FL)
Weldon (PA)
Weller
Westmoreland
Whitfield
Wickler
Wilson (NM)
Wilson (SC)
Wolf
Young (AK)
Young (FL)

NOT VOTING—7

Evans
Kennedy (RI)
Kuhl (NY)

□ 0024

So the amendment was rejected.

The result of the vote was announced as above recorded.

The Acting CHAIRMAN. Pursuant to House Resolution 817, it is now in order to consider a period of final debate on the concurrent resolution.

The gentleman from Iowa (Mr. NUSSLE) and the gentleman from South Carolina (Mr. SPRATT) each will control 10 minutes.

The Chair recognizes the gentleman from Iowa.

Mr. NUSSLE. Mr. Chairman, we reserve to close.

The Acting CHAIRMAN. The gentleman from South Carolina is recognized for 10 minutes.

Mr. SPRATT. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, let me say something first on a personal note. For 6 years now, JIM NUSSLE and I have sat side by side on the Budget Committee and collaborated and worked together in the spirit of cooperation and comity. We have had our vigorous disagreements from time to time; but there was always, always, the civility and friendship born of mutual respect between the two of us. We never had the pleasure of converging and collaborating on a budget itself, and I am sorry for that, JIM; but we always had I think the same goals in mind, the good of the country.

We are going to miss you here. I am going to be the first to come to the well and salute you for your service to the House and to the country and for the work you have done in particular on the Budget Committee.

Mr. Chairman, with all the jargon and all the numbers and all the rhetoric, it is hard to find your way around this budget maze, so let me start with just the basics, so basic that let's do something revolutionary, read the resolution before you.

Read this resolution and you will see that right here, page 1, the public debt of the United States will be \$11.3 trillion in the year 2011, 5 years from now. At the end of 2001, 5 years ago, the day President Bush took office, the public debt was \$5.7 trillion. That means that between 2002 and 2011, under the policies of this administration and this budget resolution, the public debt of the United States is going to double. In

a 10-year period of time, we are going to double the debt from \$5.7 trillion to \$11.3 trillion. It is right here in your own resolution.

Keep on reading and you will see that the on-budget deficit for next year, the year 2007, is \$545 billion. Now, on-budget, that means before you offset that against the surplus in Social Security. But there is a reason it is listed as an on-budget surplus or an on-budget deficit in this resolution. The law requires it, just as the law requires that Social Security be taken off budget.

Off budget, when it is treated that way, the deficit is \$545 billion in the year 2007. In the year 2011, the on-budget deficit will be \$428 billion. But that doesn't include anything for fixing the AMT. We all know that has to be done. It will have a significant effect on revenues when it is. Nor does it include anything after 2007 for the war in Iraq and Afghanistan. So when you make adjustments for those two factors, you are really back up to \$550 billion.

For 5 years we will tread water, go nowhere. It is right here, the numbers in this resolution, the first two pages of this resolution. That is why I say this budget resolution presents no plan and no prospect of ever balancing the budget.

Indeed, our calculations show, from the staff of the Budget Committee, our calculations shows that this budget will actually make the deficit \$400 billion worse over 5 years than if we just stood still and had a current services budget.

□ 0030

We actually lose ground if we pass this budget tonight, and we certainly do not move into a future that any of us thinks is fiscally sound.

Mr. Chairman, I want to show you one other chart which we used several times today so that you all will be aware of something when you vote on this budget. Buried in this budget on page 121 is a provision that is written in legalese, but it says that the joint resolution, if enacted to raise the debt, the debt will be increased, the debt ceiling of the United States will be increased by \$653 billion.

Tonight if you vote for this budget resolution, you are, in effect, according to this language on page 121 of the budget resolution, voting to raise the debt ceiling of the United States by \$653 billion.

Now, let me put that in context. Let me put it on the back of an envelope for you. This simple chart right here shows you the increases in the debt ceiling of the United States, the legal limit to which the United States Government can borrow that have been passed by this Congress over the last 5 years.

June 2002, those of you on the Budget Committee will recall that the Bush administration came to us selling their budget. They told us, look, pass this budget with \$1.7 to \$1.8 trillion in tax cuts, and we still will not be back until

2008 to ask for an increase in the debt ceiling. That is how much spare capacity we have got.

They missed it by a mile. A year later they were back, hat in hand, and they said, we need an increase in the debt ceiling of \$450 billion. That was 1 year.

The next year they came back with a phenomenal increase. May 24, 2004, the increase was \$984 billion. That lasted 15 months. Following the 15-month period there was another increase, \$800 billion. Just 2 months ago, in March, there was a \$781 billion increase. And now tonight, if you vote for this resolution, you can add \$653- to that. Those will be the 5 increases over 5 years in the debt ceiling of the United States in order to accommodate the budgets that this Congress has passed during that period of time, all together \$3.7 trillion in 5 years.

On the back of an envelope that is as dire as I can present it to you. In this budget, as I said, look at the numbers on the first page, \$545 billion in 2007, \$428 billion in 2011, does not take us anywhere. It does not present a plan or a solution or anything. At best it treads water.

Now, let me show you one other thing that is a problematic feature of this budget. The cuts in this budget are not, at least do not seem to be, Draconian, at least not at the outset, but they are relentless. And they take a toll over time, and they come down on one small segment of the budget, something we call nondefense discretionary spending. Nondefense discretionary spending.

Now, it is odd that this would be the object of all of the deficit reduction effort, because, number one, this is not the source of the problem. This is not where spending has been growing by any means. And, number two, it is less than 15 percent of the budget. You will never get a \$400 or \$500 billion deficit resolved out of an account or series that do not come to more than \$380 billion all together.

But that is what you have chosen to do in this resolution. That is why for another reason it will not work over time, but it will hurt. It will hurt people who depend on programs that are essential, such as transitional Medicaid assistance, such as education. This budget takes a \$45 billion hit on education.

What you see is that over time, as you freeze, this is what our Republican colleagues call this budget on its effects on discretionary spending, a freeze, if you simply hold it in place and do not allow it to increase, actually cut it a bit below inflation over a 5-year period of time, the total effect of spending is \$162 billion. That is coming out of NIH, that is coming out of CDC, that is coming out of education, that is coming out of veterans health care. The list goes on and on and on.

And there are some things in there that are real anomalies. I was out here on the floor for much of the debate on

the immigration reform bill. You remember that, I am sure. And often the question came up about stiffer sanctions and tougher rules. Obviously the issue was raised, how do you enforce them? And frequently the answer was, we go to State and local government; we are going to use them in addition to the immigration service and the Customs Service and the Border Patrol. We want to enlist, engage our sheriffs and our deputy sheriffs and our city policemen to get involved in immigration enforcement, too. Well, guess what is cut out in this budget? State criminal assistance programs, \$400 million.

This is not the budget that will take us to the future that we all want. The best thing that we can do tonight is to take this budget, take this budget, reject it, send the budgeteers back to the drawing board, and come up with something different.

That is not going to happen. I know it will not happen. So we will just kick the can down the road one more time. But I warn you, you know as well as I, this problem will only get tougher with time, only get harder to resolve with time. But sooner or later the day of reckoning is coming. In the meantime, what we have got with this budget is more deficits, more debt and more denial.

Vote against this budget resolution.

Mr. NUSSLE. Mr. Chairman, first let me say thank you to my friend Mr. SPRATT. I liked the first part of his speech a little bit better than the last part, but I do thank him for his friendship, for his professionalism. There is nobody in the House of Representatives that knows more about the budget than he does, and he has been a worthy partner and friend in this effort. I want to thank him for that.

Also I want to thank my committee members and the staff that worked so hard to put together this product. When it comes right down to it, as Mr. SPRATT said, this is, I suppose, a document with numbers on it. There is no such thing as a perfect budget, only the budget that gets 218 votes.

If I wrote the budget for the budget that I personally wanted, it might look a little differently. We have seen substitute opportunities tonight that did not quite get the votes. We need to pass a budget that gets the votes. That may not be perfect to fit everybody's idea of exactly what the priorities are, but what we in a democracy can agree is the right direction.

So to close on our side, I would like to recognize and yield the balance of our time to our friend and the Speaker of the House, DENNY HASTERT.

Mr. HASTERT. I thank the gentleman from Iowa.

Mr. Chairman, as he moves his last budget before the House of Representatives, I want to thank him for his years of service, his steadfastness, and, JIM, we wish you well in all your future endeavors. Thank you very much. God bless you.

Friends, the hour is late, and we have heard a lot of arguments, and we voted

on a lot of budgets today. But three things I just want to talk about very briefly. First of all, I have heard some arguments on the other side of the aisle saying, well, you know, if you earn \$40,000 a year, you would not get a very big tax cut.

Well, folks, if you earn \$40,000 a year, a family of two children, you do not pay any taxes. So you probably, if you do not pay any taxes, you are not going to get a very big tax cut.

Now, if you earn, as somebody said, \$1 million a year, you are going to pay about, when all of the taxes are paid, about \$400,000 of taxes. And maybe you will get a \$40,000 tax cut, maybe. Well, look at the math.

But I am saying, you know, those are relative things. Now you have to look at it.

We also heard that, you know, we have a lot of numbers. But I will tell you, one of the numbers that are important this year because of the fiscal discipline that this House has had, and our tax policy that this conference has had, and this Congress has had, is that just in our revenues this year alone, we have almost \$140 billion more in revenue than we projected even in January, and we are only 5 months into the year.

So, you know, if you can grow the economy, if you can make things work, if you create jobs for people, and incidentally those taxes that some folks talked about that were so terrible, is putting small business and letting them take their money and create new jobs. As a result, we have had almost 2 million new jobs in the last year. We have had 5 million new jobs since 2003. We have created an economy that is moving, and probably the most vibrant and healthy economy that we have had in years.

Unemployment is down. Gross national product is up. Consumer confidence is up. More people own their own homes in this country than ever before in the history of this country, and more minority folks own their own homes than ever before in the history of this country, so something is happening that is right.

But the last thing I want to remind you of is being able to pass a budget is being able to govern. And it is time that we quit talking, that we quit, you know, throwing numbers around here. I have been to auctions before. I have seen a lot of numbers move across the ring. But I will tell you, we are not going to the highest bidder. We are going to make sure that we do what is right, what the American taxpayers expect us to do. That is to be fiscally responsible, to pass a budget so that we govern and get the work of this House done.

Mr. Chairman, I have talked long enough. Let's vote.

Mr. SKELTON. Mr. Chairman, for several years now, the budgets brought before this Congress have not adequately represented the interests of the American people. Rather than approach budgeting in a bipartisan fashion, Republicans have consistently chosen to

gild the lily, electing to enact large tax cuts while simultaneously failing to reign in government spending. These actions by today's leaders have passed a tremendous financial burden on to future generations of Americans.

The Republicans' Fiscal Year 2007 budget is no better. It makes the deficit worse, offers no plan to bring the budget back to balance, and adds to the growing weight of the national debt. The budget also makes harmful cuts to critical services for working families—including education, veterans' services, and health care.

In contrast, the Democratic budget plan proposed by Mr. SPRATT of South Carolina would reach balance in 2012, has smaller deficits, accumulates less debt, and repeals the House rule providing for automatic debt ceiling increases. It also would reject the Republican budget's cuts to domestic priorities and reinstate pay-as-you-go rules that helped spur the budget surpluses of the 1990s.

I come from Missouri—the "Show-Me State." If the leaders in Congress and at the White House want to be fiscally responsible, they ought to show Missourians and the rest of the American people they mean business by rejecting the failed budget policies of the past and by immediately convening a bipartisan budget summit. President George H.W. Bush did this during a similarly challenging time and America is better for it.

Mr. LEVIN. Mr. Chairman, I rise in opposition to the Majority's budget.

We need to acknowledge that there is something fundamentally wrong with the budgetary policies the Republican Leadership has pursued for the last 5 years. It is time for a little honesty about where these policies are taking this country. Since 2001, the Federal Government has posted record budget deficits year after year.

During the 1990s, Democrats and Republicans worked together with the Clinton Administration to cut the red ink and balance the budget. For the first time in many years, we balanced the budget in 1998. We kept it balanced in 1999, 2000 and 2001. Indeed, we ran budget surpluses during those years and, for the first time in a generation, actually began to pay down the national debt.

Since the Bush Administration took office in 2001, we've swung from balanced budgets to massive annual budget deficits. In 2002—the year after the Congress adopted the Administration's tax policies—the Federal Government posted a \$128 billion deficit. In 2003, the deficit rose to \$378 billion. In 2004, the deficit soared to an all-time high of \$412 billion. In 2005, the deficit was \$318 billion.

As bad as these deficits are, they do not tell the whole story, since these figures do not include the money the Federal Government borrows from Social Security and Medicare trust funds each year. In 2005 alone, the Federal Government borrowed nearly \$175 billion from the trust funds, and we're on course to borrow even more this year.

We cannot continue on the course we're on. It is wrong for this Congress and this President to—keep borrowing half a trillion dollars each and every year and then pass this debt along to our children. It is wrong for Congress and the President to keep borrowing more and more from foreigners to fund tax cuts for the very wealthy. China alone owns more than \$818 billion of our debt.

The Majority's budget simply digs the deficit hole deeper. The Republican budget proposes

a \$348 billion deficit for 2007. If you add in the borrowing from Social Security and Medicare—money that, by law, must be repaid—the total deficit for 2007 soars to \$543 billion. The hard truth is that under the Majority's budget, the Federal budget never comes into balance. The tide of red ink rises forever. This policy is unsustainable and morally indefensible.

Tucked away in this budget is a provision to raise the government's borrowing limit another \$653 billion. This would be on top of the \$3 trillion in debt limit increases already approved since President Bush took office. At the very least, there should be a straight up-or-down vote on a debt limit of this magnitude, but evidently the plan is to try to sneak this through.

The Majority's budget also contains irresponsible cuts in critical domestic programs. In this regard, the Majority has mirrored the Bush Administration's budget, which included deep cuts in education, critical medical research, environmental protection, veterans' health care, to name only a few areas. There has been an attempt tonight to place a fig leaf over some of these cuts with a vague half promise of perhaps adding an additional \$7.1 billion for domestic programs later. All this fig leaf does is acknowledge that the funding shortfall exists in the Republican budget without taking any action to actually address it.

I will vote for the Democratic budget substitute offered by Representative SPRATT. The Spratt budget pays down the deficits over the next 5 years and achieves balance in 2012. We restore fiscal discipline by bringing back the pay-as-you-go budgeting rules and we force a degree of accountability by requiring the House to take a separate up-or-down vote on measures to increase the national debt limit. In addition, the Democratic budget alternative provides \$150 billion for future tax cuts, and requires that any further tax cuts meet the pay-as-you-go rules. Lastly, our budget alternative rejects yet another round of spending cuts to key domestic programs that have been cut repeatedly in recent years.

The choice before the House could not be more clear. We can vote to continue the failed economic policies of the last 5 years—policies that have resulted in massive annual deficits. Or we can say \$3 trillion of debt and borrowing over 5 years is enough and vote for the Spratt budget alternative that pays down these deficits and balances the budget.

I urge all my colleagues to join me in voting for Representative SPRATT's budget.

Mr. STARK. Mr. Chairman, it appears the third time's the charm for the Republican leadership. Unfortunately, the same is not true for working Americans who will be worse off under yet another morally reprehensible Republican budget. This budget insults students, attacks veterans, and bankrupts future generations.

A budget is a statement about priorities. For the party of TOM DELAY and Jack Abramoff, that means rewarding corporate contributors at the expense of ordinary Americans. Republicans protected billions of dollars in giveaways to an oil industry awash in profits. But despite President Bush's State of the Union rhetoric, this budget underfunded investments in alternative energy that are necessary to prevent global warming.

What else do the Republicans believe is less important than additional billions of dollars in tax cuts for the wealthy? Education, health

care, and the financial well being of our children and grandchildren.

Despite record enrollment from pre-K to college, Republicans support large cuts to education. This budget cuts Department of Education funding by \$2.2 billion—and provides \$15.4 billion less than Republicans promised when they passed No Child Left Behind. Even though college costs have risen 40 percent since 2001, the Republican budget again freezes the maximum Pell Grant and denies more than 460,000 students low-cost higher education loans.

Though 46 million Americans lack health insurance, the Republican budget does nothing to improve access to quality care—and actually includes policies that would increase the numbers of people without health insurance and who are underinsured. Rather than embrace necessary fixes to the Medicare prescription drug program, Republicans instead chose to continue billions of dollars in overpayments to managed care plans. And despite regularly thumping their chests while claiming to support the troops, Republicans propose \$6.0 billion in cuts to veterans' health care over five years. Many Americans volunteer to serve their country, but the Republican Party rarely serves them.

When George Bush was elected President, a satirical newspaper joked that 'our long national nightmare of peace and prosperity' was finally over. In the years since, Americans have learned the Republican record of war-mongering and fiscal mismanagement is no laughing matter. Prior to this year, Republicans had already turned a 10-year, \$5.6 trillion surplus and turned it into a \$3.2 trillion deficit. Though this budget cowardly fails to include tens of billions in supplemental requests related to a misguided Iraq War, it nonetheless adds another \$2.3 trillion to the rational debt over the next five years.

This budget makes clear what no amount of spin and lies can hide. Republicans care more about wealthy corporations and campaign contributors than they do about America's families, our environment, land our future.

I urge my colleagues to vote against this cruel and heartless bill.

Mr. UDALL of Colorado. Mr. Speaker, this budget resolution represents more of the same misplaced priorities and, misguided policies that over the last 5 years have brought only deficits, debt, and danger. It does not deserve adoption, and I can not vote for it.

Even before last year's hurricanes, the Federal budget was on a dangerous course marked by tidal waves of red ink and towering piles of debt. Since 2001, the budget surplus that President Clinton and a Republican Congress bequeathed President Bush has been erased and our country is now in debt to the tune of \$8 trillion, or \$25,000 for every American man, woman and child.

There were several causes, but the size and scope of the Bush tax cuts must bear a large part of the blame.

Several parts of those tax cuts—for example, eliminating the marriage penalty, fixing the 10 percent bracket and extending child care tax credits—were good. They gave a reasonable boost for the economy and increased the fairness of the tax laws. But having campaigned on giving back most of the budget surplus in tax cuts, President Bush insisted on much more, and Congress went along. Many of us warned against reducing the surplus so

recklessly, and urged the administration and Congress to remember the need to be ready for future emergencies.

But our pleas for restraint were ignored—and then came the attacks of 9/11 and the need for increased spending on homeland security, a military response in Afghanistan, and a war in Iraq. The budget nosedived from surplus into deep deficit.

Since then, even in the face of national emergency, neither the president nor this Republican Congress has seen fit to call on Americans for any sacrifice, and instead of temporarily scaling back tax cuts, the president and his supporters have insisted on making them permanent even as federal spending has skyrocketed.

So now we are putting the costs of war and everything else the government does on the national credit card—and much of the debt is owed not just to ourselves (as in the past), but to China, Japan and India.

Of course, this cannot go on forever. Sooner or later, something has to give. And, if the result is a new sense of responsibility, sooner is better—because there is an urgent need to rethink and revise our budget policies, including both taxes and spending.

Unfortunately, however, with this budget resolution the Republican leadership is doing just the opposite—instead of new thinking they are insisting on following the same policies that have produced the problem.

Even though the national debt has reached \$8 trillion, under this Republican budget we will add another \$2.3 trillion to the debt over the next 5 years in order to endorse the President's tax policies, which squander as much as \$2.5 trillion over the next 10 years on permanent, top-heavy tax cuts.

And, even worse, this budget resolution still fails to meet the most important challenges that face us—protecting America, caring for our veterans, and making the investments needed for our future.

It shortchanges key homeland security programs—cutting them by \$488 million this year and \$6.1 billion over 5 years from the amount needed to keep up with inflation—while failing to provide for needed increases in our armed forces, including the National Guard, and shortchanging the program to dispose of the hundreds of tons of unsecured nuclear material around the world, particularly in Russia and former Soviet Union countries.

And even though the VA is already treating more than 144,000 veterans from Iraq and Afghanistan, with more to come, the budget resolution would cut veterans' health care by \$6 billion over 5 years, and increase TRICARE health care premiums for more than 3 million military retirees and their families.

In addition, the budget resolution falls short in other areas.

For example, despite record enrollment growth, it follows the President's budget, which proposes the largest cuts in education in 23 years. It cuts discretionary appropriations for the Education Department—meaning an even greater gap between promise and performance in implementing the No Child Left Behind Act. And it also follows the lead of the President's budget in proposing to freeze the maximum Pell Grant for college at \$4,050—for the fifth year in a row—while setting the stage for other cuts in programs to boost college opportunities and access.

And, like the President's budget, this resolution shortchanges NIH funding and public

health programs, including prevention programs at the Centers for Disease Control and rural health activities, while also reducing funding for programs to protect and improve our water supplies, to protect open space, and to conserve natural resources.

I voted for the Spratt substitute, which would have led to lower deficits over the next 5 years and put us on the path to a balanced budget in 6 years while still doing more for homeland security, veterans care, education and training, and to protect public health and the environment.

Unfortunately, that alternative was not adopted, and so I am left with no choice but to vote against the Republican leadership's budget resolution.

Mr. FARR. Mr. Chairman, the Federal budget should be about meeting responsibilities and setting priorities that will help move America toward a better future. Unfortunately, the Republican Leadership has failed yet again to draft a balanced proposal that meets America's needs. Instead their Budget Resolution (H. Con. Res 376) is a testament to misguided priorities—underinvesting in education, the environment, the economy, and out Nation's veterans, while providing tax cuts to the wealthiest Americans and multiplying the Federal deficit to its highest levels ever.

The Republican budget matches the President's cuts in education by slashing \$2.2 billion from the Department of Education. This is the second consecutive year in which the Republican Leadership has cut Federal education funding. The Administration's own initiative, No Child Left Behind, is now underfunded by a total of \$40 billion since its passage 5 years ago. While the cost of higher education is almost unaffordable for middle-class American families, the Republican budget cuts the Perkins Loan program by \$66 million.

The environment also gets short shrift in the Republican budget. The budget resolution cuts the Environmental Protection Agency (EPA) by \$199 million, including a cut to the Clean Water State Revolving Fund. The National Park Service, perennially underfunded by the Administration and Republican majority, is cut by \$102 million. The National Oceanic and Atmospheric Administration (NOAA) which funds important programs for the Central Coast like the Bay Watershed Education and Training (BWET) Program and the National Marine Sanctuary Program, is cut by 6 percent.

H. Con. Res. 376 provides \$228 billion in tax cuts that primarily go to the wealthiest of Americans. While tax cuts to the rich are extended for 5 years, Alternative Minimum Tax (AMT) relief, which affects millions of middle-income taxpayers, is only extended for a year. In addition, the budget resolution increases our already huge deficit. Over the next 5 years, the budget resolution counts a total of \$1.2 trillion in the Social Security trust funds to partially offset these record deficits. This is sham accounting and saddles our children and grandchildren with huge debt.

As a member of the House Appropriations Subcommittee with oversight over the Veterans' Administration, I am deeply concerned about Republican cuts to veterans' health care. H. Con. Res 376 proposes spending \$6.6 billion less on veterans programs over the next 5 years, while the U.S. fights a global war on terrorism. We are a nation at war, and our men and women in uniform are making extreme sacrifices. Yet, the Republican Bud-

et Resolution increases fees for TRICARE, the military health care program: Fees for retired officers will triple, double for retired senior enlisted personnel and increase by 40 percent for junior enlisted retirees.

The American people deserve better. I will support the Spratt budget substitute that fully invests in education, the environment and the economy and truly reflects the values of the Central Coast of California.

Mr. WAXMAN. Mr. Chairman, I rise to express my strong opposition to the Fiscal Year 2007 Budget Resolution.

The Budget Resolution is a reflection of our values and a statement of our national priorities. As in the previous years under President Bush, the 2007 Budget Resolution will force cuts in health care, environmental protection, education, housing, and other essential programs that enjoy broad public support.

And, as in previous years, a new round of tax cuts skewed to benefit our wealthiest citizens will threaten our long-term economic health and pile more debt onto our children. Eighty-seven percent of the benefits of the tax cuts the House just passed will go to the 14 percent of households with more than \$100,000 in annual income. Less than 2 percent of the benefits will go to the 60 percent of households with less than \$50,000 in annual income.

The year before President Bush took office, we enjoyed a record-breaking \$236 billion surplus and projected surpluses that were expected to reach \$5.6 trillion by 2011. In an unprecedented reversal, the policies of President Bush and congressional Republicans have brought us the five largest deficits in our history. According to the Bush Administration's own numbers, its policy of massive tax cuts and deficit borrowing will increase the gross federal debt by a total of \$4.2 trillion over fiscal years 2001 to 2008. Our nation will have accumulated more debt in eight years under President Bush than under the first 41 presidents combined.

The Administration's reckless budget and tax policies are unsustainable and damaging to our nation. In 2006, for the first time since 1970, the President and Congressional Republicans reduced funding for the National Institutes of Health, the nation's largest federal supporter of basic research, applied research, and R&D. This year's budget reduces the budgets again of 18 of the 19 Institutes.

Just last September, overwhelming bipartisan majorities in the House and Senate wrote President Bush to express strong support for working aggressively toward the goal of eliminating cancer death and suffering by 2015. Incomprehensibly, eight short months later congressional Republicans are pushing through a budget that reduces funding for the National Cancer Institute (NCI) by \$40 million.

This year, more than 1.4 million Americans will be diagnosed with cancer. Due to the investments we have made in research, prevention, and early detection, nearly 70% of today's cancer patients will survive more than five years, compared to just 50% in 1976. These gains will be reversed if we do not maintain a vigorous federal commitment to biomedical research.

The Republican budget carries with it senseless human costs. Dr. Evan Ross, a young medical doctor who has waged a valiant fight against cancer, has eloquently expressed below how our misplaced priorities

are having far-reaching consequences on individual Americans:

It is my understanding that the President's FY 2007 budget proposal calls for a cut of \$40 million for the National Cancer Institute (which was cut .7 percent in FY 2006) . . . People like me need as much research as possible to be occurring. It's great that the President wants to fight a 'war' in Iraq, but to do so at the expense of those Americans suffering when more can be done to fight the war on cancer is simply not right. I'm 36 years old and I've had cancer four times. I have a two year old son. I should be dead, or should have earned a medal of honor. Neither are true. Yet, I'm still here, trying to help people as best I can by integrating Eastern medicine into the Western world.

I intend to get through this battle too, and when I do, it would be nice to know that someone out there is doing whatever he or she can to make sure I don't have to fight my own war yet again, rather than throwing more obstacles in my path.

I urge my colleagues to consider the millions of Americans who are being hurt by the misguided policies of the Bush Administration and congressional Republicans. I urge you in the strongest terms to oppose this budget resolution and to support the advancement of medical research, affordable health care, education, environmental protections, and adequate housing for our citizens.

Mr. BLUMENAUER. Mr. Chairman, I will not support a budget plan that makes the overall budget deficit worse while providing further tax cuts for people who need them the least. The Republicans not only borrow the cost of their war, they refuse to honestly account for these costs by handling appropriations through emergency spending bills instead of the regular budget process. Playing politics with the budget short changes our future while creating an unsustainable mountain of debt. Refusing to provide permanent relief to tens of thousands of Oregonians threatened by the Alternative Minimum Tax, only providing a one year "fix" to the AMT, gambles with middle-class families' futures.

It is time for Congress to face up to the fiscal problems that they have created and deal honestly with American taxpayers about the budgeting sleight of hand and deficits. This budget doesn't begin to do this.

Mr. DAVIS of Florida. Mr. Chairman, I rise in opposition to H. Con. Res. 376, the Fiscal Year (FY) 2007 Budget Resolution, which will result in a deficit of \$348 billion in FY 2007. To make matters worse, rather than offering a plan to balance our federal budget, this five-year spending plan would add an additional \$2.3 trillion to the nation's already burgeoning \$8.3 trillion debt over the next five years. It is time for Congress to pass a Budget Resolution that takes steps to begin paying down our federal debt and return to balanced budgets.

It is time for Congress to reinstate fiscal responsibility. Congress should enact budget enforcement mechanisms such as the pay-as-you-go (PAYGO) rule for new tax cuts and new mandatory spending, which would require the government to live within its means.

The Budget Resolution as reported by the Budget Committee contains harmful cuts to education, veterans and healthcare. I commend our colleague from South Carolina for crafting an alternative to this budget that will restore these devastating cuts while still balancing the federal budget by 2012. The Spratt Substitute will also protect America's families by enacting PAYGO rules.

I urge my colleagues to oppose H. Con. Res. 376 and support the Spratt Substitute.

Mr. CUMMINGS. Mr. Chairman, I rise today in opposition to the FY 07 Republican Budget Resolution, H. Con. Res. 376 and the Rule currently under consideration.

Mr. Chairman, the Republican FY07 Budget sets a record—not for balancing the budget, not for lowering the deficit, or for reducing our reliance on foreign debt—but for exceeding the callousness evident in President Bush's FY07 Budget for American families.

Mr. Chairman, the Republican budget is devoid of direction, balance and compassion.

It slashes by \$2.2 billion K-12 programs, school improvement funds, job training, Community Services Block grants, and the Social Services Block grants. This budget cuts veterans health care and the homeland security function; eliminates the Hope VI program; fails to adequately fund public health programs; slashes environmental and conservation funding; cuts programs that help feed low-income elderly, mothers and children; cuts housing assistance for the elderly and disabled; and cuts or flat-funds 18 of the 19 institutes at the National Institutes of Health. On the mandatory spending side, it includes reconciled spending cuts for Medicare, Medicaid and the Pension Benefit Guarantee Corporation.

All of these cuts come at a time when the economy is floundering. They come at time when most Americans are trying to make ends meet—to take care of themselves, their children and their parents—all while being squeezed by flat wages, high gas prices and declining incomes. Yes, these cuts deeply hurt the least and most vulnerable of Americans, but in fact, they hurt nearly all American families.

The sad truth is that all of these cuts are the sacrificial lamb for funding tax cuts for the wealthiest 1 percent of Americans. In fact, while the national debt is rising and deficits are mounting, this Republican Budget funds another shameless \$228 billion in tax over the next five years.

Meanwhile, since President Bush has been in office, 6 million more Americans lack health insurance, 1.4 million more children live in poverty, 1.2 million more are unemployed and long-term unemployment is two times larger at 1.4 million. The impact of these numbers intensifies by almost double in minority communities.

The CBC Alternative Budget offers a real budget for all Americans. It would balance the budget, restore pay-as-you-go budget principles, and in fact generate a surplus by 2011. It would restore funding to critical programs, not by creating deficits, but by rescinding the tax cuts for those making over \$200,000, eliminating the corporate tax incentives for off-shoring jobs, closing corporate loopholes; and reducing ballistic missile defense spending—all while getting rid of waste, fraud and abuse.

I urge my colleagues to support the CBC and Spratt Alternative Budgets—to vote to return to fiscal discipline and responsibility—to vote to focus our spending priorities on all Americans.

Mr. DINGELL. Mr. Chairman, I regret that I again must rise in opposition to the budget before the House. I cannot support another budget that not only adds to the deficit, but for the fifth consecutive year creates the largest deficit in history.

The Congressional budget is a reflection of our priorities—and at the risk of sounding like

a broken record—I must say that this Republican budget once again gives priority to massive handouts for their fat cat buddies, and forces working families, veterans and students to foot the bill. Unfortunately, this seems to have become somewhat of a Republican tradition.

Some of my colleagues will praise this budget for its so-called "savings". What they fail to mention is that all of the spending cuts are not going towards reducing the deficit but instead are being used to partially offset the \$228 billion price tag of a massive new tax cut.

Mr. Chairman, there is no rationale whatsoever to explain how you can decrease revenues while increasing spending and still balance the budget. Anyone with common sense can tell you that if you want to spend more, you must either earn more or save in other areas—otherwise you go into debt. Yet in each of the past six years, the Administration has increased spending faster than national income.

As bad as the numbers before us are, the true picture is in fact worse, because the budget resolution includes no funding after 2007 for military operations in Iraq and Afghanistan, and for 2007 includes only a \$50 billion "placeholder"—less than half of the amount appropriated for 2006.

The war costs are only one of the many budgetary gimmicks used to hide the true nature of this budget. Another is the deceptive cut in veterans' health care. Republicans like to say that they have greatly increased funding for veterans' healthcare. This is true if you are speaking of total spending, but the only reason for the Republican spending increase is the increase in the number patients. On a per capita basis, increases in veterans' health care funding average only 0.1 percent per year, well below inflation.

Two days ago, President Bush announced that he will deploy up to 6,000 National Guard members to "assist the Border Patrol" along our southern border. It is important to note that in 2004, Congress authorized annual increases of 2,000 border patrol agents from 2006 through 2010. Ironically, for the first two years of this increase, the Administration and the Republican Congress have failed to meet this target. The President's budget proposal for fiscal years 2006 and 2007 failed to include enough funding for an additional 2,000 Border Patrol agents, and subsequently, Congress failed to appropriate full funding for the authorized increase. Under the tight spending constraints provided by the Republican budget framework, the House Homeland Security Appropriations Subcommittee reported a bill that provides only 1,200 new border patrol agents—800 agents less than the authorized level. In contrast, the Democratic Substitute provides more than enough funding to provide for an additional 2,000 Border Patrol agents.

Education also takes a hit in this budget resolution. The Department of Education is cut by \$2.2 billion—the second year in a row that Republicans will cut federal education funding despite school districts' need for promised assistance to meet demanding standards under No Child Left Behind, and the increasing cost of higher education. In addition to funding cuts, 42 education programs will be eliminated under this budget, including the Even Start family literacy program, the TRIO Upward Bound program, the Perkins loan program and all federal vocational education programs.

In particular, the Perkins loan program is extremely important to colleges and universities throughout the state of Michigan. At the University of Michigan and Eastern Michigan University, both of which are located in my district, 8,658 students received Perkins loans during the 2004–2005 school year. At a time when we should be actively supporting opportunities for higher education, this proposed cut is a cruel slap in the face for our colleges and universities and for their students.

The environment will also suffer if this bill passes. Funding for the Environmental Protection Agency will be cut by \$304 million from 2006, with most of this cut coming from programs that ensure clean drinking water and protect public health. The Clean Water State Revolving Fund is cut by 22 percent from 2006 which, when added to past years' cuts, represents a 49 percent decrease since 2004. Additionally, despite the growing backlog of infrastructure construction and maintenance projects, funding for the Army Corps of Engineers would be slashed by 11 percent. These cuts are ill-advised and will greatly undermine our Nation's ability to preserve and protect the resources we have been blessed with.

I would also like to mention one specific program that has been placed on the chopping block—the Commodity Supplemental Food Program (CSFP). This program provides nutritional food packages to over 475,000 low-income elderly, mothers and children, including 75,000 from my home state of Michigan. Under this budget resolution, CSFP would be eliminated, and all of these individuals would simply stop receiving their food packages. This is unacceptable. CSFP costs approximately \$110 million per year, which is .03 percent of the projected deficit for FY2007. This means that eliminating the CSFP program will barely make a dent in the deficit, but 475,000 seniors, women and infants will be in danger of going hungry.

It is for these reasons and many more that I stand here today to oppose this budget. The Democratic alternative would balance the budget by 2012 while rejecting deep cuts in essential federal programs. I urge my colleagues to vote yes on the Democratic substitute and no on the Republican budget.

The Acting CHAIRMAN. There being no further debate time, under the rule, the Committee rises.

Accordingly, the Committee rose; and the Speaker pro tempore (Mr. BOOZMAN) having assumed the chair, Mr. LAHOOD, Acting Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the concurrent resolution (H. Con. Res. 376) establishing the congressional budget for the United States Government for fiscal year 2007 and setting forth appropriate budgetary levels for fiscal years 2008 through 2011, pursuant to House Resolution 817, he reported the concurrent resolution, as amended pursuant to that rule, back to the House.

The SPEAKER pro tempore. Under the rule, the previous question is ordered.

The question is on the concurrent resolution.

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

Pursuant to clause 8 of rule XX, this 15-minute vote on adoption of the concurrent resolution will be followed by a 5-minute vote on the motion to suspend the rules on House Resolution 740.

The vote on House Resolution 795 will be taken tomorrow.

The vote was taken by electronic device, and there were—yeas 218, nays 210, not voting 5, as follows:

[Roll No. 158]

YEAS—218

Aderholt	Gibbons	Norwood
Akin	Gilchrest	Nunes
Alexander	Gillmor	Nussle
Bachus	Gingrey	Osborne
Baker	Gohmert	Oxley
Barrett (SC)	Goodlatte	Pearce
Bartlett (MD)	Granger	Pence
Barton (TX)	Graves	Peterson (PA)
Bass	Green (WI)	Petri
Beauprez	Gutknecht	Pickering
Biggett	Hall	Pitts
Bilirakis	Harris	Platts
Bishop (UT)	Hart	Poe
Blackburn	Hastert	Pombo
Blunt	Hastings (WA)	Porter
Boehkert	Hayes	Price (GA)
Boehner	Hayworth	Pryce (OH)
Bonilla	Hefley	Putnam
Bonner	Hensarling	Radanovich
Bono	Herger	Regula
Boozman	Hobson	Rehberg
Boustany	Hoekstra	Reichert
Bradley (NH)	Hulshof	Reynolds
Brady (TX)	Hunter	Rogers (AL)
Brown (SC)	Hyde	Rogers (KY)
Brown-Waite,	Inglis (SC)	Rogers (MI)
Ginny	Issa	Rohrabacher
Burgess	Istook	Ros-Lehtinen
Burton (IN)	Jenkins	Royce
Buyer	Jindal	Ryan (WI)
Calvert	Johnson (CT)	Ryan (KS)
Camp (MI)	Johnson, Sam	Saxton
Campbell (CA)	Keller	Schmidt
Cannon	Kelly	Schwarz (MI)
Cantor	Kennedy (MN)	Sensenbrenner
Capito	King (IA)	Sessions
Carter	King (NY)	Shadegg
Castle	Kingston	Shaw
Chabot	Kirk	Shays
Chocola	Kline	Sherwood
Coble	Knollenberg	Shimkus
Cole (OK)	Kolbe	Shuster
Conaway	Kuhl (NY)	Simmons
Crenshaw	LaHood	Simpson
Cubin	Latham	Smith (NJ)
Culberson	LaTourette	Leach
Davis (KY)	Leach	Smith (TX)
Davis, Jo Ann	Lewis (CA)	Sodrel
Davis, Tom	Lewis (KY)	Souder
Deal (GA)	Linder	Stearns
DeLay	LoBiondo	Sullivan
Dent	Lucas	Tancredo
Diaz-Balart, L.	Lungren, Daniel	Taylor (NC)
Diaz-Balart, M.	E.	Terry
Doolittle	Mack	Thomas
Drake	Manzullo	Thornberry
Dreier	Marchant	Tiahrt
Duncan	McCaul (TX)	Tiberti
Ehlers	McCotter	Turner
Emerson	McCrery	Upton
English (PA)	McHenry	Walden (OR)
Everett	McKeon	Walsh
Feeney	McMorris	Wamp
Ferguson	Mica	Weldon (FL)
Flake	Miller (FL)	Weldon (PA)
Foley	Miller (MI)	Weller
Forbes	Miller, Gary	Westmoreland
Fortenberry	Moran (KS)	Whitfield
Fossella	Murphy	Wicker
Foxx	Musgrave	Wilson (SC)
Franks (AZ)	Myrick	Wolf
Frelinghuysen	Neugebauer	Young (AK)
Gallely	Ney	Young (FL)
Garrett (NJ)	Northup	

NAYS—210

Abercrombie	Barrow	Bishop (NY)
Ackerman	Bean	Blumenauer
Allen	Becerra	Boren
Andrews	Berkley	Boswell
Baca	Berman	Boucher
Baird	Berry	Boyd
Baldwin	Bishop (GA)	Brady (PA)

Brown (OH)	Hoyer	Pastor
Brown, Corrine	Inlee	Payne
Butterfield	Israel	Pelosi
Capps	Jackson (IL)	Peterson (MN)
Capuano	Jackson-Lee	Pomeroy
Cardin	(TX)	Price (NC)
Cardoza	Jefferson	Rahall
Carnahan	Johnson (IL)	Ramstad
Carson	Johnson, E. B.	Rangel
Case	Jones (NC)	Renzi
Chandler	Jones (OH)	Reyes
Clay	Kanjorski	Ross
Cleaver	Kaptur	Rothman
Clyburn	Kildee	Royal-Allard
Conyers	Kilpatrick (MI)	Ruppersberger
Cooper	Kind	Rush
Costello	Kucinich	Ryan (OH)
Cramer	Langevin	Sabo
Crowley	Lantos	Salazar
Cuellar	Larsen (WA)	Sanchez, Linda
Cummings	Lee	T.
Davis (AL)	Levin	Sanchez, Loretta
Davis (CA)	Lewis (GA)	Sanders
Davis (FL)	Lipinski	Schakowsky
Davis (IL)	Lofgren, Zoe	Schiff
Davis (TN)	Lowey	Schwartz (PA)
DeFazio	Lynch	Scott (GA)
DeGette	Maloney	Scott (VA)
Delahunt	Markey	Serrano
DeLauro	Marshall	Sherman
Dicks	Matheson	Skelton
Dingell	Matsui	Slaughter
Doggett	McCarthy	Smith (WA)
Doyle	McCollum (MN)	Snyder
Edwards	McDermott	Solis
Emanuel	McGovern	Spratt
Engel	McHugh	Stark
Eshoo	McIntyre	Strickland
Etheridge	McKinney	Sweeney
Farr	McNulty	Tanner
Fattah	Meehan	Tauscher
Filner	Meek (NY)	Taylor (MS)
Fitzpatrick (PA)	Meesks (NY)	Thompson (CA)
Ford	Melancon	Thompson (MS)
Frank (MA)	Michaud	Tierney
Gerlach	Millender-	Towns
Gonzalez	McDonald	Udall (CO)
Goode	Miller (NC)	Udall (NM)
Gordon	Miller, George	Van Hollen
Green, Al	Mollohan	Velázquez
Green, Gene	Moore (KS)	Visclosky
Grijalva	Moore (WI)	Wasserman
Gutierrez	Moran (VA)	Schultz
Harman	Murtha	Watson
Hastings (FL)	Nadler	Watt
Herseth	Napolitano	Waxman
Higgins	Neal (MA)	Weiner
Hinchey	Oberstar	Wexler
Hinojosa	Obey	Wilson (NM)
Holden	Olver	Woolsey
Holt	Ortiz	Wu
Honda	Otter	Wynn
Hooley	Owens	
Hostettler	Pallone	
	Pascarell	

NOT VOTING—5

Evans	Larson (CT)	Stupak
Kennedy (RI)	Paul	

□ 0102

So the concurrent resolution was agreed to.

The result of the vote was announced as above recorded.

CALLING ON GOVERNMENT OF UNITED KINGDOM TO ESTABLISH INQUIRY INTO MURDER OF NORTHERN IRELAND DEFENSE ATTORNEY PAT FINUCANE

The SPEAKER pro tempore. The unfinished business is the question of suspending the rules and agreeing to the resolution, H. Res. 740, as amended.

The Clerk read the title of the resolution.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Michigan (Mr. MCCOTTER) that the House suspend the rules and agree to the resolution, H.