

take out a gallbladder through laparoscopic, or appendix or thyroid? There are more than one good doctor in each community. I do not know about cardiothoracic surgeons. They are in short supply, but there are lots of us OB/GYNs and general surgeons that do a good job.

People will one day in the near future, because of what we are doing, the efforts of this Republican majority and this President, who is totally committed to making sure that we continue to have the best health care system in the world, we will see the day that in a secure environment, people can look on a Web site and know exactly what the differences are and shop economically for not the cheapest health care but the best-priced health care and good health care.

We talked a little bit at the outset of the health savings account issue. I think that this is a wonderful opportunity. I wanted to show maybe one last poster in regard to that, because we hear a lot of criticism sometimes here on the floor of this Chamber, and sometimes out in the halls and maybe indeed sometimes back home in our districts, say, oh, you know, the health savings account, they are just, here again, something for the rich, and you Republicans only care about the people that have lots of money. Well, look, Mr. Speaker, at this health savings account, not just for the healthy and wealthy.

Seventy-three percent of those who have established, and there are about 3 million now and we predict within the next couple of years 10 million, and it is growing rapidly, 73 percent have families with children. Fifty-seven percent of these holding health savings accounts are over age 40; 35 percent are from households with four or more people; 40 percent are high school graduates or have technical school training as the highest level of education. Also, I might say parenthetically, some of these folks are the most successful because they are hardworking and work by the sweat of their brow; 40 percent did not indicate any prior coverage.

So this is something for everything, and for those who do not want that, the President has talked about refundable tax credits to purchase health insurance for an individual. When I say refundable tax credits, I mean somebody that, because they are a lower economic earner and they do not typically pay taxes, they do not get any advantage from a deduction. So we actually give them money. A refundable tax credit means you give them money for the sole purpose of purchasing health insurance. These are some of the things that we wanted to talk about.

The gentleman from Louisiana, I would be glad to yield to him for a comment.

Mr. BOUSTANY. Mr. Speaker, I thank the gentleman for yielding. I also point out another feature of health savings accounts and it is something very important to think about;

and that is, as we get a large part of our generation to sign on to these health savings accounts, as our generation moves up into the Medicare years, that money will accrue and could be used for health care costs incurred at that time. It will help take some of the burden off the Medicare system in the future potentially. So it is a good, good feature as we look at these. Again, it helps the individual, it helps the family to control their own health care destiny.

So I just wanted to point that out, in addition to these very good facts that you pointed out as well.

Mr. GINGREY. Mr. Speaker, I thank the gentleman, and just in the closing minutes, I would say that also it is important for people to know that while people maintain these health savings accounts and add to them each year, they enjoy the miracle of compound interest as these accounts grow. They can only be spent on health care, but typical insurance does not cover dental care or a lot of eye care. It certainly will not pay for a hearing aid, no cosmetic surgery. It does not help women who have infertility problems who need assisted reproductive technology so they can achieve the wonderful joy of childbirth and raising a child or children. All of those things can be paid for out of these health savings accounts.

We talked about purchasing long-term health care insurance, and when a person turns 65, they can actually use some of this money for other things.

Well, that wraps it up. I see my time is drawing to a conclusion. I think the Speaker has tapped that gavel a little bit, and I do not want to cut into my good friend's, the gentleman from Georgia on the Democratic side, and his special hour. So at that we will conclude.

BLUE DOG COALITION

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

Mr. ROSS. Mr. Speaker, I come to the floor of the United States House of Representatives this evening as a member of the fiscally conservative Democratic Blue Dog Coalition, a group of 37 fiscally conservative Democrats who are outraged, absolutely appalled by these record deficits, record debt and the lack of common sense and fiscal discipline that we are seeing in our Nation's government these days.

I come to the floor and raise these issues not out of partisan politics because, Mr. Speaker, I do not know about you, but I am sick and tired of all the partisan bickering that goes on at our Nation's Capitol. It does not matter to me if it is a Republican idea or Democrat idea. My people back home want a commonsense idea, the kind of ideas that make sense for them in their everyday lives.

So I raise these issues, Mr. Speaker, quite frankly because I am concerned about the future of our country.

As you walk the halls of Congress, it is easy to spot one of the Blue Dog Coalition Members' offices, because we all have this poster beside our front door. Today, the U.S. national debt, just as I got ready to come up here this evening, the U.S. national debt is \$8,270,909,436,190. For every man, woman and child in America, including those being born as we speak, the amount of money that each person in America shares in the national debt is \$27,000 and some change.

It is hard now, Mr. Speaker, to believe that from 1998 through 2001, our Nation for the first time in 40 years had a balanced budget; and yet, this administration, this Republican Congress, has given us the largest budget deficit ever in our Nation's history for what amounts to 6 years in a row.

This is the budget that the President of the United States has presented to Congress. It is always presented under a lot of fanfare; a lot of publicity surrounds this budget. This budget for fiscal year 2007 totals \$2.8 trillion, but what is alarming about it is that the deficit totals \$423 billion.

If that is not disturbing enough, Mr. Speaker, as a Nation, we spend about a half a billion a day simply paying interest on the debt we already have, and on top of that, our national debt is increasing to the tune of about \$1 billion a day. Our Nation is spending about \$1 billion more a day than it is taking in; \$260 million a day going to Iraq, \$33 million a day going to Afghanistan, and a whole lot more going not to fund programs that matter to people because there are record cuts in this budget.

Just yesterday in Booneville, Arkansas, I was at the Dale Bumpers Research Center, one of 26 agriculture research centers that are not being cut, but being eliminated, under the President's budget for fiscal year 2007. Only in America can the President give us a budget that cuts the programs that matter to people, Medicaid, Medicare, veterans benefits, agricultural programs, and also give us the largest deficit ever in our Nation's history at the same time.

□ 2115

So as an American, I rise this evening out of concern. As a small business owner, I rise this evening out of concern about these record debts and these record deficits. And at the end of this hour, Mr. Speaker, we will change this number to show how much the national debt has risen just in the hour we have been on the floor this evening trying to talk about accountability and fiscal responsibility.

The numbers I have presented to you are bad enough. Lord knows we don't need to make them any worse. They are already the largest budget deficits in our Nation's history that this Republican leadership has given us, but

what we have recently learned is, actually, when you look at America, the way that America requires corporations to look at accounting, the deficit is even worse than what we thought.

At this time I would call on the gentleman from Tennessee (Mr. COOPER), the co-chair for policy in the Blue Dog Coalition, who has helped discover this little-known publication, which is very, very disturbing.

Mr. COOPER. Mr. Speaker, I am grateful to my friend from Arkansas, and I appreciate his yielding to me. I am about to say something that very few people in America know. Hardly anyone in Congress knows it. This is not a partisan comment. I am about to reveal a document printed by this administration that received less distribution than the secret NSA domestic wiretapping activities of the administration.

This is a document that coincidentally was revealed sometime close to Christmas Eve last December. It is a document that was issued without a press release. There was no press notification about this at all. Instead of being like the budget that my friend from Arkansas showed, that was distributed to every Congressman, every Senator's office, with great fanfare, this document was distributed to fewer than 20 Members of the House and Senate. It probably went to about a dozen. It was mailed in. It was not noticed, apparently, by anyone.

And what does the document reveal? Well, first of all, this is it. When I called the Department of the Treasury, they laughed when I asked for multiple copies. This is the Financial Report of the United States Government 2005. This is the closest thing our Nation has to an annual report. Most Americans are familiar with those. All public companies are required to issue an annual report so that the shareholders can find out how the company is doing. Well, this is the annual report for America, and yet it was hidden in plain sight. Hardly anyone knows about this document.

The first page is signed by the Secretary of the Treasury, John Snow, and the first page reveals a pretty shocking fact. It reveals the fact that for all that Mike Ross was talking about, about our terrible debt and deficit situation, situations that are driving up interest rates and putting a terrible debt burden on the backs of our kids and grandkids, according to that green document my colleague from Arkansas held up, the deficit last year was \$319 billion. That is a lot of money. That is "b" for billion, or "b" as in, boy, that is a lot of money. Well, guess what this document shows on its first page, signed by Secretary of the Treasury John Snow? The real deficit last year for 2005 was not \$319 billion, it was, get this, \$760 billion.

So there are two big questions here. Why did the administration try to hide this from Congress and the American people? Why was there no press re-

lease? Why did it receive minimal distribution? And, second, why is the Secretary of the Treasury so heavily at odds with another part of the administration, the Office of Management and Budget and the director there, John Bolton? How could one gentleman say that the deficit was \$319 billion last year and another gentleman say it was \$760 billion?

Well, the difference is this: the budget of the United States uses what is called cash accounting, and only the tiniest businesses in America are even allowed to use cash accounting. Why? Because it gives you a very distorted picture of a business or of a government. This annual report for America, the financial report signed by Secretary of the Treasury Snow, uses real accounting. It is called accrual accounting, and it keeps the books in a much more accurate way.

So I think most Americans would be shocked, as my colleague from Arkansas knows, that the U.S. Government, Uncle Sam, is keeping two sets of books. One has relatively good news, the other has terrible news in it. And guess what, they are trying to hide the second set of books from the American people.

I would encourage people to go to the Blue Dog Web site. We can allow you to download this document, or you can go to the U.S. Treasury Web site and download the document. It will not be obvious, though, on the Treasury Web site. It is pretty well hidden on that Web site. It is pretty clear on the Blue Dog.com Web site. So I would encourage people to check this out and see what it says in cold hard print and ask the logical question of why the President's budget is so radically and totally different from the document issued by his own Treasury Department.

I thank the gentleman from Arkansas for yielding to me.

Mr. ROSS. I thank the gentleman from Tennessee for bringing this to the attention of America, the "Financial Report of the United States Government for 2005," printed by our government, signed by our President's appointed Secretary of the Treasury, John Snow.

And as the gentleman from Tennessee has explained quite well, when our government says we have a \$319 billion deficit for 2005, that is based on a form of accounting known as a cash-basis form of accounting. Now, I am a small business owner; and as a small business owner, our government does not allow me to base my business on a cash-basis form of accounting. I am required by our government to use an accrual-based form of accounting. And if I do not, I am in a lot of trouble with the IRS and will probably end up in jail.

However, our government, when we talk about the budget and the debt and the deficit and we talk about it in terms of this \$319 billion, we find in this publication, the "Financial Report

of the United States of America for 2005," that it does not use a cash-basis form of accounting. It uses an accrual-basis form of accounting, and we know this only because the government, by law, requires the Secretary of the Treasury to print this document. He does not print tens of thousands of copies the way he does the budget. Only a handful are printed because they do not want the taxpayers of this country to know what is really going on here.

The truth is this: when we look at our government, the way our government requires businesses to report their dealings with the IRS, our deficit was not \$319 billion in 2005. Again, there is no reason for us to try to make these numbers any worse than they already are. They are already as bad as they have ever been in the history of our country. And these are not our numbers. These are numbers from the Secretary of the Treasury, John Snow. The deficit for 2005 was not \$319 billion when using the accrual-basis form of accounting; it was \$760 billion. That is a difference of \$441 billion.

Now, John Snow, Secretary of the Treasury, in this report said: "Including these future financial responsibilities in this report gives a more complete and long-range look at the government's finances." That is the Secretary of the Treasury, appointed by President Bush. That is John Snow, in his words, which can be found on page 1 of this report.

Mr. Speaker, I yield once again to the gentleman from Tennessee.

Mr. COOPER. I thank the gentleman for yielding, because there are probably some listeners who are confused about cash-basis accounting versus accrual accounting. The simplest way to explain it is this way. If you were to look at giant U.S. companies like General Motors or Ford, they would be just fine today if you look at them on a cash basis because they are generating cash. But if you look at them on a more accurate basis, the way the stock market does and the way investors do, you will see that a cash basis ignores future obligations. For example, for retirees, for health care, for other benefits and obligations that should be kept and that have to be acknowledged.

That is what accrual accounting does. And lest people be confused, accrual accounting is not cruel, the way it may sound. Accrual accounting is actually the most compassionate form of accounting, because cash-basis accounting forgets the retirees and the sick. Accrual accounting remembers them. And it is vital we remember all of our retirees and our sick because their health benefits matter, and we have to take them into account in this country.

I know the gentleman is about to show the rule for business. This is a tough rule, and I look forward to the gentleman's explanation.

Mr. ROSS. Well, every business in this country is required to use the accrual method if the business has inventory, if the business is a C corporation,

or if gross annual sales exceed \$5 million. So for any corporation, any business that meets one of these criteria, our government says you must use the accrual method of accounting.

Our own government, however, though requiring businesses to use the accrual method of accounting or you go to jail and get in a lot of trouble with the IRS, that is what the government says to businesses, but the government says, well, that makes us look like we are being even more fiscally irresponsible than we want, so we will not use this accrual business. We will go back and trick the taxpayers by using the cash basis of accounting.

At this time, I want to recognize a real leader within the Blue Dog Coalition, my friend and colleague from Georgia (Mr. DAVID SCOTT).

Mr. SCOTT of Georgia. It is great to be with you, Mr. ROSS, and with my colleagues from the Blue Dogs and our distinguished cochairman.

I think this startling information that you have just made known to the American people speaks to the fundamental issue at hand, and it is, in one word, security. Financial security. We cannot have national security if we do not have financial security. We cannot even have homeland security if we do not have financial security or health care security. Whatever our security is, it is anchored in financial security.

With security comes the word "confidence," and you have just shattered that realization by bringing this information to the forefront and revealing how badly we need to restore the confidence of the American people for this government's ability to handle their financial security.

But I will tell you something that really adds and complements what you have brought to the American people tonight, because I have a bit of information that ought to be startling as well. As we look at this report, as we basically see firsthand that the books have been cooked, so to speak, by this revealing document, which almost doubles the \$319 billion deficit, because now we know it is \$760 billion deficit by the words of the Treasury Secretary, but let me add this to this important discussion we are having this evening.

I do not believe the American people know that this President, President Bush, has borrowed more money from foreign governments in his 5 years than all of the preceding 42 Presidents in the history of this country.

□ 2130

I know the American people are shaking their heads and asking, is he saying what I think he is saying? Let me repeat it.

President Bush has borrowed more money from foreign governments in his 5 years, since 2000, since he first took office, than all of the preceding 42 Presidents from 1789 to 2000, 211 years. Here are the figures. From 1789 to the year 2000 of our Nation's history, 42 U.S. Presidents borrowed a combined

\$1.01 trillion from foreign governments and foreign financial institutions, according to the Treasury Department.

And now, just in the last 5 years, President Bush has borrowed a staggering \$1.05 trillion, larger than the total from all the previous 42 Presidents. If that does not tell you we have a crisis here, I do not know what does. And you combine that with this information that our co-chairman has brought to us about how the books were cooked; and, in fact, according to the more accurate accounting procedure, it is more than \$760 billion.

It is remarkable. It is phenomenal. The American people deserve the truth. We have got to give it to them because, as the Bible says, you should know the truth. It is the truth that will set you free. We are going to set America free tonight.

Mr. ROSS. I thank the gentleman from Georgia (Mr. SCOTT) for his knowledgeable input about this debt and deficit and budget process. I might add, in defense of the President, the President, during his tenure in office, it is true that he has borrowed more money from foreign central banks and foreign investors than the previous 42 Presidents combined. But in fairness to the President, he could not do that alone. It took this Republican majority in this Congress to give him a budget to allow him to continue to raise the debt limit to allow him to borrow more money in the last 5 years than the previous 42 Presidents combined.

I think the American people are starting to get it at the youngest of ages. My teenage daughter was reading the paper today and she sent me an e-mail, and I will just read to you what my teenage daughter said after reading the paper this morning. She wrote, "I read that they are wanting to increase the limit of the debt. Please do not let them do this. Make them start paying it back." That is a message from a 17-year-old junior in high school who is concerned about the reckless spending, the fiscal irresponsibility going on in our government because it is her generation, it is our children and grandchildren's generation that gets saddled with these bills.

I encourage folks every Tuesday night, as members of the Blue Dog Coalition, we are here on the floor talking about fiscal responsibility and about our ideas to balance the budget. We have a 12-point plan for meaningful budget reform that will allow us to have a balanced budget and allow us to get our fiscal house in order.

For folks that are interested in e-mailing us their thoughts, opinions or questions, I encourage them to do so at BlueDog@mail.house.gov. We are the Blue Dog Coalition, 37 members strong, fiscally conservative Democrats that are here to hold this Republican Congress responsible for a record deficit and a record debt.

Mr. Speaker, I yield to the gentleman from Tennessee (Mr. COOPER).

Mr. COOPER. Mr. Speaker, let me say amen to my friend's comments from Georgia. That was outstanding.

I have the pleasure of serving on the Budget Committee and this week, probably on Thursday, we will start marking up the budget for the United States of America. That is one of the most serious responsibilities that we could ever undertake. It is an incredibly complex document and process. You are talking about \$2.7 trillion. You are talking about not only all the defense programs, you are talking about Social Security and Medicare and a world of other programs, parks, agriculture, you name it; everything that the Federal Government is involved in.

In the span of a few short hours, we will be able to offer a few amendments, and we try to do this on a bipartisan basis. It is hard, but let me report on what happened last year in last year's markup.

I offered a number of the Blue Dog amendments as part of our 12-point plan for reform. They were individual, commonsense measures such as, for example, getting a cost estimate on every bill here so we know the cost of what we are voting on; having a recorded vote so that the members of this body go on record when large amounts of money are spent. We were one of the first groups in the country to go ahead and require transparency for earmarks so the public, everyone, would know what individual spending items were being requested. But probably, most importantly, we favored domestic spending caps so budget spending could not keep going up and up, and a pay-as-you-go approach so expansion of government was paid for, so that this generation paid our obligations, so we did not saddle future generations, including our men and women in uniform, with these terribly burdensome debts.

I offered that last year in the Budget Committee markup. My amendment passed on a 19-17 vote because four brave Republicans were willing to cross over and endorse a commonsense measure like that. But then the chairman of the committee realized that common sense had prevailed, and he leaned over and twisted the arm of a freshman Member of Congress and forced that gentleman to change his vote right in front of everybody. So then it was not a 19-17 victory for our side and common sense, suddenly it turned into an 18-18 tie, and, under the rules of the committee, you lose on a tie vote.

That was as close as we came last year to getting some of these commonsense principles involved. Even most State legislatures have rules like the ones I am describing. Most Americans would be outraged to learn we do not have these rules here.

We are going to try a similar approach on Thursday. I hope we prevail, and I hope Americans will tune in to see what happens, because we do try to work on a bipartisan basis. The Blue Dogs are Democrats and we are proud of that, but we reach across the aisle.

In fact, tonight, most of the Special Order is devoted to revealing the Republicans' Treasury report, because they did not want it to get the publicity that it deserves. This is one of the most important documents of government, and I have yet to meet another Member of Congress who knew about the existence of this document. It has been required by law to be published for over a decade now. Senator John Glenn of Ohio was the first person to author a bill to get this done. The former Secretary of Treasury, Bob Rubin, and the Clinton administration, championed this document. Back then the news was good. We were headed toward surpluses, and we achieved surpluses. But in the last 5 years, this document has been buried deep underground. I think it is high time we brought it above surface.

Mr. ROSS. I appreciate the co-chair for policy of the Blue Dog Coalition and a very important member of the Budget Committee bringing to the taxpayers' attention this little-known document, the financial report of the United States Government. Again, our debt is \$8,270,909,436,190.

Now, as members of the fiscally conservative Blue Dog Coalition, we do not come here on Tuesday nights to simply complain about how this Congress is out of control with its spending without also offering a solution. As the gentlemen from Tennessee and Georgia mentioned, we have a 12-point reform plan to cure our Nation's addiction to deficit spending. And I can tell you, one of the problems that taxpayers in this country have with this debt and with these deficits is the lack of accountability. I want to talk about that for a moment.

Some of you have heard this before and I am going to continue to talk about it until every one of these 11,000 fully furnished, brand new manufactured homes sitting in a pasture in Hope, Arkansas, get to the victims of Hurricane Katrina and Hurricane Rita.

Mr. COOPER. Are those the famous FEMA trailers?

Mr. ROSS. Those are the FEMA trailers. FEMA has spent an estimated \$431 million of our tax money purchasing some 11,000 brand new, fully furnished, manufactured homes.

Mr. COOPER. Who is living in those homes?

Mr. ROSS. Nobody. Here is the story. FEMA shows up in Hope, Arkansas, my hometown. I now live 16 miles down the road in Prescott, Arkansas. They show up at city hall and say, we understand you have these inactive runways as a result of World War II. We want to use them as a so-called FEMA staging area.

The idea was these manufactured homes were going to come into Hope and then go to the people who lost their homes and everything they owned as a result of Hurricane Katrina and Hurricane Rita. They started coming. They started coming in October, and they came and they came, but they never went.

So as a result of that, 25 percent of them now sit on these inactive, closed military runways, and 75 percent of them are sitting in a cow pasture. That is 11,000 brand new, fully furnished, manufactured homes sitting in a pasture in Hope, Arkansas, and FEMA owns them, they have already bought them. And FEMA at the same time is spending our tax money to provide housing in hotels and motels for some 12,000 storm victims.

If that is not enough, we all know about the tent city that is set up near Pass Christian, Mississippi, where families in the winter are living in a tent while FEMA has 11,000 brand new, fully furnished manufactured homes sitting in a cow pasture in Hope, Arkansas. That is an aerial photo of some of the 11,000. There is the barbed-wire fence, and there are the manufactured homes. Most of them are 14 feet wide, 60 feet long. Some are 80 feet wide. And now that the drought is about to end and the rains are starting to set in, I do not have to tell you that they are going to be sinking. They are going to be sinking. They are going to be damaged.

What is FEMA's response? Oh, no, not to get them to the people that need them, the people living in hotels and motels and tents 6 months after the storm. Their response is we are going to spend \$6-8 million graveling this 290-acre cow pasture so we can store these manufactured homes for a future disaster. FEMA refuses to move these manufactured homes into a flood zone.

Normally I would say that makes sense, but the reality is in this instance, everybody that lost their home as a result of Hurricane Katrina lost their home because they lived in a flood zone. FEMA says if you have land, we will give you a manufactured home. Everybody that lost their home as a result of Hurricane Katrina, they had land but it is in a flood zone. That is why they lost their home.

Mr. Speaker, I appeal to the President and to the director of FEMA, what is worse, to have 11,000 brand new, fully furnished manufactured homes spread out over Mississippi and Louisiana and Alabama with the storm victims who lost their homes and everything they owned in a bunch of different flood zones, or have them all grouped together in a cow pasture at the Hope airport, an area prone to tornadoes, an area that is going to have a tornado warning probably about every 10 days for the next 3 months?

Mr. Speaker, I am going to come to the floor of this Chamber and talk about this until FEMA gets moving, until FEMA comes to Hope, Arkansas, picks up these 11,000 manufactured homes they have purchased, and gets them to the people who desperately need them, people who for the sixth and seventh month in a row are living in hotel and motel rooms, people who are living literally in tents in Pass Christian, Mississippi.

This ran on the front page of the Arkansas Democratic Gazette back in De-

cember. I do not know if this gentleman is still living in this tent or not. He was in December. I can tell you about 100 families are living in tents in Pass Christian right now. It is appalling to know as a country we are allowing people to live in tents. He has found a job. He is back at work, doing the best he can for himself and his family. He is waiting on housing, and yet we have 11,000 brand new, fully furnished, manufactured homes purchased by FEMA, sitting in a cow pasture in Hope.

Mr. Speaker, I submit that as a member of the fiscally conservative Blue Dog Coalition, this is the kind of government waste that turns people off. I grew up in a little country church outside of Prescott, Midway United Methodist Church, and I heard a lot of sermons about being a good steward, and I can tell you FEMA is not being a good steward of our tax money with what they are doing. It is a total disgrace. It is an outrage.

Mr. Speaker, I yield to Mr. SCOTT.

Mr. SCOTT of Georgia. Mr. Speaker, Mr. ROSS has so eloquently stated the great failure in our American government today. The whole situation of Hurricane Katrina marks one of the darkest spots in American history. But there is a pattern here of a lack of response. There is a pattern of whatever it goes through, security, homeland security, national security. Hurricane Katrina is just one example. We need look no closer than our port security. What a debacle.

That same kind of lack of proper research, proper debate, and you are absolutely right, a lackadaisical congressional leadership, a Republican leadership that simply has just bent over for this administration. We have made a mockery of what our Founding Fathers said we should be doing as checks and balances. That is why they set three branches of government: the judicial, executive and legislative branches.

□ 2145

It is our job to provide the oversight, the investigation, the enforcement arm, to be able to make sure that there is a proper check and balance. But this House of Representatives under this Republican leadership has all too often just caved in and caved down, and that is why we are in the shape that we are in today.

Now, if we can talk just for a moment, which I want to do, about this port security situation that again points up the same fallacies.

Mr. ROSS. It is about accountability.

Mr. SCOTT of Georgia. It is about accountability, and it is also about our budget. For example, if you remember, after 2001 Congress appropriated a total of \$765 million for port security programs, including \$173 million for FY 2006, to help our seaports adopt important security enhancements.

The Coast Guard came and told us they needed more like \$6 billion. Yet, like last year, the President's budget

once again proposed terminating funding dedicated to port security, and then turned right around and takes that \$6 billion and says let's give it over here to a company that is owned by a country that has direct financial ties to terrorist organizations.

How do you figure this, that the President's budget would propose terminating that funding that our Coast Guard, the one main element we have checking our ports, asked for, advocate terminating it, and then turn right around and okay a deal that he says he did not even know about?

Now, the truth is plain here, and we owe it to the American people. There are some of us in Congress who are willing to stand up and tell the truth and deal with this, because our financial security is vital, is extraordinarily important.

I want to just touch upon one additional thing. I want to talk about just for a moment, as my good friend from Tennessee pointed to, this budget and the meanness of these cuts, but where they hurt the most are with our military families, are with our veterans.

I do not believe that the American people quite understand this or quite are aware that this budget would increase the health care costs for 1 million veterans. For the fourth year in a row, the budget raises health care costs for 1 million veterans by imposing new fees for veterans, costing them more than \$2.6 billion over 5 years, and driving at least 200,000 veterans out of the system. That is what this budget does to our veterans.

It would double the copayment for prescription drugs from \$8 to \$15. That is what this budget does to veterans. It imposes an enrollment fee of \$250 a year for category 7 and category 8 veterans, those who make as little as \$26,000 a year. If increases health care costs for military retirees. The budget increases TRICARE health premiums for 3.1 million of the Nation's military retirees under 65. The premiums will double.

It fails to address the strain on our troops. I just returned from Iraq and Afghanistan. I was there talking with the troops. Despite recent reports of the tremendous strain that the Iraq and Afghanistan wars have placed on our troops, the President's budget fails to fund and plan adequately to recruit the number of forces that are authorized under the law to help with that strain. The budget would fund 17,000 fewer Army National Guard and 5,000 fewer Army Reserve than are authorized by law. But it does not just stop there. It goes on and on.

You talk about your folks in Hope, Arkansas, and what they are faced with. Let me tell you what my people are faced with so much in Georgia, in one county, Cobb County alone, just from the cuts in the Community Development Block Grant program.

This is what the President has proposed cutting: one center that is in great need of help in terms of being

built and being sustained through the Community Block Grant program of \$3.1 million, the Ron Anderson Center over in Powder Springs in Cobb County. Another center for senior citizens where they need it the most, cut out of this budget, another \$2.5 million. Those community block grants are the lifeblood of many communities in Hope, Arkansas; in Tennessee; and all over.

Now, I mention this, as we will mention a few other things. There is so much in this budget that goes at the heart of cutting out almost the heart and the hope of our people.

You showed an extraordinary picture there a moment ago, Mr. ROSS. You showed a victim down there under just a cover, all he had, just sitting there. It showed great hurt, great need. There is a great hurting and a great need of the American people, and we do not need to pass this budget that cuts the very programs that will help our people in need.

Mr. ROSS. Again, it takes a lot of skill for this administration, this Republican-led Congress, to give us the largest budget deficit ever in our Nation's history while also managing to cut all the programs that matter to people at the same time. How do they do that? By tacking on tax cut after tax cut.

Following us this evening, I am pretty confident that the other side will show up, which I think probably is an indication that we are making progress here in getting our message out about trying to restore some fiscal discipline and common sense to our Nation's government, and they will probably talk about how we had an opportunity to cut, to cut, \$40 billion in spending and how we voted against it.

But what they will not tell you is that it was \$40 billion in cuts to the most vulnerable people in our society. Medicaid, eight out of 10 seniors in Arkansas are on Medicaid. One out of five people in Arkansas are on Medicaid. Cuts to Medicaid, cuts to student loans to the tune of \$40 billion, followed by what are we doing this week and next week? About \$90 billion in additional tax cuts for those earning over \$400,000 a year.

I wasn't real good at math back in high school or college, Mr. Speaker, but the last time I checked, \$90 billion in tax cuts from borrowed money because we don't have a surplus and \$40 billion in cuts from the poor, the disabled, elderly and college students equals \$50 billion in new spending. Only in Washington would you entitle a bill that increases the national debt by \$50 billion the Deficit Reduction Act. Yet that is exactly what we will probably hear more about tonight, just as we did last week.

I yield to the gentleman from Tennessee (Mr. COOPER).

Mr. COOPER. The gentleman makes an excellent point. I would like to challenge those who speak after us, if they even know about the existence of this "Financial Report for the United

States in 2005." I bet that no Republican in the House even knows this report exists, even though it is signed by the Secretary of the Treasury, it is an official U.S. Government document, and it reveals the true deficit for America last year as being \$760 billion.

If my friend would put back up the Blue Dog debt and deficit sign, please, I think it is very important that people compare that. Those numbers are truly staggering, \$8.2 trillion debt; and your individual share back home is \$27,000 for every man, woman, and child.

But, guess what? That is the good news. If you look at this document from the Department of Treasury, guess what our real debt is? It is not \$8.2 trillion. I wish it were. It is a staggering \$46 trillion. That is an unimaginable figure, \$46 trillion. That is an unimaginable sum of money.

But get this: every American's share, every man woman and child in this country, the share isn't \$27,000 like you have on your sign; the share is \$156,000 apiece. For every full-time worker's family, the share is \$375,000 apiece.

Mr. ROSS. If the gentleman would yield, the point is we are not trying to make this any worse than it is. We wish it wasn't bad. We wish we had a balanced budget. We wish the debt was being paid down. We wish we were not deficit spending. We don't have to try to make the numbers any worse than they already are. They already are setting records.

Just to clarify, the difference between these numbers and your numbers, the difference between the numbers in the budget and the numbers in the financial report of the United States Government is basically this simple: our government, our budget uses a cash-basis form of accounting, which gets you to these numbers.

Mr. COOPER. Which is illegal for most every business in America.

Mr. ROSS. Yet our very government, which uses a cash-base form of accounting, requires every business in America for the most part to use an accrual base of accounting.

Mr. COOPER. This is real accounting, and people back home need to know that for every working family, it is a \$375,000 obligation already. So what the gentleman is talking about, this \$27,000, that is the price of a pretty nice car. This is the price of a luxury home. This is what every working family already owes to pay for the promises this Congress and this administration have already made for our Social Security beneficiaries, our Medicare beneficiaries, so many other good and worthy programs.

As my friend, the gentleman from Georgia, pointed out, today we are having to borrow most of this money from foreign countries. President Bush has borrowed more money himself from foreign nations than all previous Presidents in American history combined. That is a staggering thing to comprehend.

I appreciate the gentleman yielding.

Mr. ROSS. Based on the accrual-basis form of accounting, the real United States deficit in 2005 was \$760 billion.

Mr. COOPER. Over twice as large as the administration will admit.

If the gentleman will yield for one more moment, the Director of Office of Management and Budget, Josh Bolton, says the deficit is only \$319 billion; it is actually getting smaller, it is turning up. He says the President in just a few years will cut the deficit in half.

That is according to the cash basis. According to accrual, according to real accounting, guess what? The deficit is \$760 billion, and getting bigger all the time. So it is going in the opposite direction from what Director Bolton says. So who do you believe, Director Bolton of the OMB, or the Secretary of the Treasury, John Snow?

I think the American people need to know that both of these documents exist, both of them are official U.S. Government documents, put out by the Republican administration; but this is the one they have tried to keep hidden from the American people.

Mr. ROSS. A highlight from the financial report of the United States Government, this official government publication, you can find this on page 23, of the 26 agencies scored under the President's management agenda, 17 of them were deemed to have "any of a number of serious flaws when it comes to financial performance."

Then you go on to page 28, and this is a quote from David Walker, the Comptroller General of the United States of America: "The current financial reporting model cash-basis accounting provides a potentially unrealistic and misleading picture of the Federal Government's overall performance, financial condition and future fiscal outlook," which is exactly why our government requires businesses to not use the cash-based form of accounting, rather accrual-based form of accounting.

Yet when you hear from our government, they never want to quote this report. They want to report the budget which uses what the Comptroller General of the United States refers to as an unrealistic and misleading picture, through the cash-based form of accounting.

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

Mr. SCOTT of Georgia. When you combine this with the startling revelation that half of this debt is being held by foreign countries, I go back to that word "security." Is it in our best security interest to have our financial well-being held in the hands of foreign countries? That is about as ridiculous as holding our port security in the hands of a foreign company owned by a country that had terrorist dealings, that provided nuclear materials to Iran, a country where two of the hijackers came from. This word "security" needs to reverberate throughout the American psyche.

□ 2200

We are depending too much on our financial security and our national security and port security from foreign interests. We Americans need to control our ports, and we need to have Americans at ports where they are originating shipments coming in.

And we need to check 100 percent of our cargo. Mr. ROSS, if Hong Kong can check 100 percent of its cargo coming into its ports, and it checks 22 million cargo pieces a year, we check only 11. Hong Kong is not even a terrorist target and we are. Hong Kong checks 100 percent.

They are not a terrorist target; we are a terrorist target, do not check but 5 percent. As Ethan Hunt said in Mission Impossible, the NOC list is out. It is out in the open. They know that we do not check but 5 percent of our cargo.

But the point I wanted to make in terms of the foreign lenders is, because I think it is important, Mr. ROSS, that the American people know who is holding our debt. Let me just tell them for a minute. Japan holds \$682.8 billion of our debt.

Communist China, Communist China holds \$250 billion of our debt. Great Britain, \$223 billion. The Caribbean banking centers, \$115 billion; Taiwan, \$71 billion; OPEC countries, \$67 billion; Korea, \$66 billion; Germany, \$65 billion; Canada, \$53 billion; Hong Kong \$46 billion.

This is not in the best interests of the security of this country and it has to change.

Mr. ROSS. The gentleman is so right in his assessments. We do need to be borrowing money from foreign central banks and foreign investors. And, in fact, I believe it should be an American company that manages our ports. And with the cuts, we know what has happened in terms of our country becoming way too dependent on foreign oil.

And yet, if we are not careful with the proposed cuts to agriculture, we are going to become dependent on foreign countries like Brazil for our food and fiber. Let me tell you, Mr. Speaker, I submit to you that having a safe and reliable source for food and fiber here at home from America's farm families is every bit as much critical to our national security as oil is.

Now, the gentleman from Georgia made some good points. And, you know, this is not partisan debate. This is not a Democrat or Republican issue. It may be the first time in 50 years the Republicans have controlled the White House, House and Senate. It may be the Republican leadership that has given us the largest budget deficit ever in our Nation's history for the sixth year in a row.

But it is not a Democrat or Republican issue, it is an American issue, because this debt, this reckless spending, affects all of us as citizens of this country and as taxpayers. And, Mr. Speaker, we are all citizens of this country, first and foremost.

But to validate what the gentleman from Georgia is saying, again I quote from David Walker, the Comptroller General of the United States of America, found on page 28 of the Financial Report of the United States Government for 2005, "Continuing on this unsustainable path will gradually erode, if not suddenly damage our economy, our standard of living, and ultimately our national security."

He goes on to say, "More troubling still, the Federal Government's financial condition and long-term fiscal outlook is continuing to deteriorate."

And I cannot thank the gentleman from Tennessee enough for making the people of this country aware of this little-known document. I yield to the gentleman from Tennessee.

Mr. COOPER. Mr. Speaker, you know the 9/11 Commission did a great job in their report. It became a best seller. It was in bookstores all over America, because everybody in America wanted to find out what really happened on that terrible day.

You know, this is a lot like the 9/11 Commission report, because it is very readable, and it needs to be in every bookstore in America. And yet hardly anyone in Congress has seen it, hardly anyone in the Senate has seen it. Everybody needs to read this document, because it is the annual report for America.

It reveals the terrible truth that the real 2005 fiscal deficit for America was not \$319 billion, it was \$760 billion. And every living American worker already today owes \$375,000 apiece. That is what this document says. It is not thick. If you do not find it in the bookstore yet, and it will be months probably before that happens, take it off the Web site.

Look at the BlueDogDemocrats.dot.com. If you do not trust our Web site, go to www.gao.gov, that is the Government Accountability Office, or download it from the U.S. Treasury Web site. But this is a truly startling and amazing document, and hardly anybody even knows it exists.

So I encourage folks not to take our word for it, go look at it yourself and see what you think about the fiscal finances of our country after you read this book.

Mr. ROSS. Now we have about 6 or 7 minutes left this evening to talk about being good stewards of our tax money, about being good stewards of the public trust.

But as I promised at the beginning of this hour, our national debt, about an hour ago, was \$8,270,909,436,190. In the last 60 minutes, our national debt has gone up approximately \$41,666,000.

Mr. COOPER. Forty-one million dollars in an hour?

Mr. ROSS. In 60 minutes, in 1 hour, our national debt has increased to the tune of approximately \$41,666,000 and some change. And so you can see an hour ago what the debt was: \$8,270,909,436,190. That is no longer true. It is now \$8,270,951,102,190.

Mr. COOPER. That much damage was done to our Nation's future just in 1 hour.

Mr. ROSS. In the last hour.

Mr. COOPER. And that will continue every hour, every night.

Mr. ROSS. Again, we have got to be good stewards of our tax money. We have got to be good stewards of this country. We have got to get our Nation's fiscal house back in order. We must restore fiscal responsibility to our government. It affects every one of us in a lot of different ways.

For example, our Nation is spending a half a billion dollars a day with a "B," 500 million, a half a billion every day, simply paying interest on the national debt.

We could finish I-69 in Arkansas, creating all kinds of jobs and economic opportunities, just with 3 days' interest on the national debt, or I-49, again with 3 days' interest on the national debt.

Many of America's priorities are going to continue to go unmet. Many of America's needs are going to go unmet, from health care to education to veterans to infrastructure, until we get our Nation's fiscal house back in order.

The Blue Dog Coalition has a way to do that. It is a 12-point plan, and the first and foremost of all of those 12 points is require a balanced budget. Forty-nine States do. My wife requires one in our household in Prescott, Arkansas.

The family business my wife and I own, our banker requires us to have a balanced budget. And it is time for this Nation, it is time for the politicians in Washington to have a balanced budget for our Nation.

I yield to the gentlemen from Georgia.

Mr. SCOTT of Georgia. Mr. Speaker, it is very important to point out, and you touched upon it, that just the interest, just the interest alone, is nearly \$200 billion.

Now just think about that. This money that we are borrowing, we have to pay for. You got to add in the \$200 billion in interest on top of that, which is more than five times the amount that we spend on education, the environment, and veterans care put together.

I submit to you, my friends in the Blue Dog Coalition, I just hope that the American people have been listening to us tonight, and I believe that they have. I hope that we have awakened a sleeping giant. Because, like I say, we are here and we are gone tomorrow.

The President does not have to run anymore. He does not have to go out and face the people. I believe, quite honestly, if he had to go out and face the people, I do not think he would have made that deal with the Arab immigrants. I do not think he would have done that.

But the fundamental question we have to go back to is from this star-

ting information that you have brought to us, the question has to be, why? Why are we just discovering it and why is this great discrepancy there?

There are some serious questions that have to be answered by this administration. But you know what? They are not going to answer these questions unless and until we in Congress stand up and represent the interests of the American people and put their feet to the fire. Once we do that, then we are truly standing up for America, and America deserves that.

Mr. ROSS. I thank the gentleman from Georgia, and I thank the gentleman from Tennessee for joining me this evening as we try to hold this Congress accountable and urge a good dose of common sense and fiscal responsibility.

For folks with questions or comments or concerns, I encourage them to e-mail us at bluedogs@mail.house.gov, we are members of the fiscally conservative Democratic Blue Dog Coalition, bluedogs@mail.house.gov. That is bluedogs@mail.house.gov.

And, Mr. Speaker, we are here this evening for a simple reason and a simple cause; that is, to try and be good stewards for this Nation of the tax money and the trust that has been placed in us for the people.

We think this Congress is letting the American people down. I yield back.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore (Mr. DENT). Members are reminded to address their remarks to the Chair and not to persons outside the Chamber.

ACCOUNTABILITY FOR ALL

The SPEAKER pro tempore. Under the Speaker's announced policy of January 4, 2005, the gentlewoman from North Carolina (Ms. FOXX) is recognized for half the remaining time until midnight.

Ms. FOXX. Mr. Speaker, you know, last week I was sitting in the Chair when some of this same material was being presented here on the floor. And I jotted down some notes, thinking, well, one of these days I hope I am going to have a chance to make some comments about some of those things that are being said, not knowing I was going to be asked tonight to come over here and use some of the Special Order, because a couple of my colleagues were called away who had planned to be here tonight. So I am doing this at sort of the last minute.

But I found my notes from last week, and I wanted to talk a little bit about some of the comments that were made last week, again on this issue, and some of the comments that are being made tonight. I am astonished again at the hypocrisy that is evident here on the floor of this House every day.

We have our Democratic colleagues standing up all of the time talking

about how we need to cut spending, cut spending, cut spending, and how we have got a debt. But when we bring in bills and give them the opportunity to cut spending, they vote against them.

Much of the spending that is occurring now is the result of Democratic programs that were begun in the 1930s, 1940s, 1950s, 1960s, that have been put on automatic pilot.

One of the first meetings I came to when I was elected to Congress last year, I heard people talking about mandatory spending and discretionary spending, and entitlements. And I got up and I said, you know, I have read the Constitution, and nowhere in the Constitution do I see the words mandatory spending, discretionary spending, or entitlements.

A large part of the problem that we have in this Congress is that we have people who think in those terms. They think in terms of entitlement, and they have helped create in this society an entitlement mentality.

And when the President proposes, and the Republicans propose to try to change that mentality, the Democrats vote against it. The President said last year, "We have got a terrible problem with Social Security. The problem is that we are going to run out of money. There is not enough money in Social Security."

And when the Social Security program was established back in the 1930s, nobody ever thought that anybody would get any money from it to begin with. The average age in those days was 59 years old. So they set Social Security up to be collected when people became 65, assuming nobody would collect from Social Security.

But lo and behold, this country has prospered and people are living a lot longer.

□ 2215

The average age now is about 78 years. People are thinking that they can retire at 65 and live on their Social Security, and that is just not possible. So the process makes a proposal, let us do something about Social Security.

Let us explain to the American people that the Congress controlled by the Democrats for over 40 years, as they admitted tonight, spent that money as it came in, did not put it aside for Social Security. I am ashamed to say that Republicans have done the same thing. They came in and they spent the money on Social Security. But people are waking up to the problem and the President says, let us do something about it. Let us create personal Social Security accounts. Let us put people's Social Security money into an account with their name on it, give them some options about where that money is going to be invested, and let them know what they are going to get when they retire. No more of this fooling the American people into thinking that they have paid in a certain amount of money and it is going to let them live in the style to which they have become accustomed while they worked.