

The legislative clerk proceeded to call the roll.

Mrs. MURRAY. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

IMPACT OF THE BUDGET PROCESS

Mrs. MURRAY. Mr. President, a week ago we all listened as the President laid out his priorities in the State of the Union.

At the time, I noted that what he says in his speech is a lot less important than what he does in his budget.

Yesterday, he sent us his budget, and I am deeply concerned about what it means for our country, our people and our future.

Later today, I will raise some of my concerns directly with the budget director, and I will come back here to the floor time and again to talk about what we should be doing.

But this morning, I want to step back and take a broad look at the significance of the budget and the choices before us.

I want to remind my colleagues that what we do now will affect us, and the American people, months from now.

The budget decisions we make now will either empower us, or tie our hands, when we turn to write the appropriations bills.

I am speaking on the floor today to warn my colleagues that you cannot vote for an unrealistic budget in the spring and then act surprised in the summer and fall when painful cuts are required.

At the end of every year, Congress crams several important pieces of legislation through in a rush to head home for the holidays. This past year was no different. In a matter of days, we finished appropriations bills, authorization bills, and even spending cuts.

Unfortunately, the logjam we experienced at the end of last year was not a surprise to many of us who work closely on the budget process.

Starting in March, many of us began raising concerns that we were headed in the wrong direction. We knew that there was no way we could honor our commitment to America's working families, enact huge cuts in entitlement programs like Medicare and Medicaid, enact another round of tax cuts, and continue to cut our Nation's deficit.

When you add in the growing cost of war and Hurricane Katrina, the legislative train wreck was entirely predictable.

But no matter what the hurry, make no mistake these bills have serious consequences, and their impact will be felt for years to come.

They set funding levels, cut and grow programs, and set important policy for agencies and programs touching nearly every American.

But it is more than that. Collectively, they represent our priorities and reflect our values.

They provide the direction we intend to lead the country. And what too few Americans know—and too few Senators seem to remember—is that one single document serves as the blueprint for these additions, subtractions and everything in between each year.

I'm speaking, of course, about the Federal budget resolution.

Every year, with much fanfare and even more detail, the administration sends Congress a spending and revenue plan for the next 5 years. Congress is required to draft a similar spending and revenue plan.

Our work begins on the day we receive the President's budget and is supposed to be completed by April 15. From early February, until April we debate, mark up, and offer a multitude of amendments.

Most of the time, we complete this process and move to the next phase of the budget process on May 1. The congressional budget resolution sets the tone for the entire budget process, including appropriations.

I have served on the Budget Committee for my entire Senate career. It's a very important committee, one that I take great pride in working on. But its work is not often considered newsworthy or particularly interested for the press and public.

While this process may not always draw front-page coverage, its importance could not be greater.

This one document is more than numbers and charts. From health care to energy, security to the economy, this one document is the vehicle that allows us to act on each and every priority the Government will have for an entire year.

The Federal budget is the statement of our priorities as a people. It should be a moral, thoughtful document.

It should carefully consider its impact on the Nation's best-off and worst-off.

Too often, I fear, this impact is overlooked in all the details and process. Its impact is lost in the time from the budget's passage to the enactment of the final appropriations bills.

That is why this year, with the benefit of our action at the end of 2005, with upcoming votes on left-over items from last year, and with the President's new budget, I wanted to come here to the floor to ensure that we all know the stakes of this great debate.

And I intend to be back, saying much the same, I fear, in the weeks and months ahead.

This year's budget, and the priorities it enacts, will not be lost to time, if I have anything to say about it. It is simply too important to forget.

As I listened to the President's State of the Union, I felt a real disconnect between his priorities and the challenges facing working families in Washington State, Americans across our country, and those fighting for our freedom abroad.

We all want America to be strong again and that means we must invest in our people and in our infrastructure. What the President said last week matters much less than what he does in his budget.

That budget is a document of values, and it will tell us if he is really intent on creating a brighter future for America or just giving us more of the same.

It is time to put the needs of America's working families first. We need a government that reflects our values and provides real economic incentives to encourage job creation.

We can do that by investing in our infrastructure, providing affordable, accessible healthcare, supporting energy independence, providing education for all of our children, and protecting our ports and borders.

These are the priorities that will make our Union and our families strong. We also have a moral obligation to ensure that our troops who serve and protect all of us have the resources they need on the battlefield and when they return home.

Unfortunately, if last year's budget and this year's speech are any indication, the President's priorities are simply not in line with those of the American public.

Almost exactly 1 year ago, the President previewed his FY 2006 budget in the State of the Union Address. He said:

My budget substantially reduces or eliminates more than 150 Government programs that are not getting results, or duplicate current efforts, or do not fulfill essential priorities. The principle here is clear: Taxpayer dollars must be spent wisely, or not at all.

A week later, we received a budget from President Bush that slashed health care programs, punished veterans, cut education aid, and increased the long-term financial obligation we'll leave to the next generation. His "non-essential priorities" were made quite clear.

In choosing to vote against that budget, I said:

Families in Washington State and across the country are concerned about the security of their jobs, their communities, access to affordable health care and a quality education. Unfortunately, rather than inspiring confidence, the budget we are voting on tonight leaves too many Americans questioning the future.

On issue after issue, this budget falls short of what our communities and our country need to move forward.

I know what responsible budgets look like because I've worked with chairmen of both parties to create them.

Unfortunately, this Republican budget fails to create jobs, improve security and meet our country's needs.

Mr. President, last year's budget proposal was a disaster. It cut Medicaid—the health care for our most vulnerable. It cut education. It cut veterans funding. And incredibly, once again, it increased the deficit.

The President has rightly been focused on our Nation's security, but his budget didn't reflect the type of priorities that keep Americans safe. Speeches are one thing, but they ring hollow

if not matched with a real commitment of funding.

In fact, in his budget proposal last year, the President tried to cut firefighter grants, funding for U.S. search and rescue, and the port security grants that help keep cities such as Seattle and Tacoma safe. If we are serious about our security, then each of these should be priority for this President.

And after that budget passed—by the slimmest of margins, I might add—we felt the pain it inflicted. In appropriations debate after appropriations debate Democrats, and in some cases even some Republicans, fought to provide the basic funding for services that make a difference in every American's life—the most important programs needed.

Several times Republicans invoked the budget, saying we couldn't provide the necessary dollars because of its constraints.

The budget and the Bush priorities were taking their toll.

As if these painful cuts weren't enough, the Bush team actually used the budget to ensure more hardship for the least among us, while handing out more perks to the best-off.

Through reconciliation, Republicans “saved” billions of dollars on the backs of the poor. Again, by the slimmest of margins in each Chamber, they cut Medicaid, Agriculture, and retirement security programs.

Reconciliation is intended as a tool for reducing the deficit. Unfortunately, the Republican leadership has pushed reconciliation bills that actually make the deficit worse and pass the burden of tax cuts for the wealthy and the cost of the war on the backs of poor children, the disabled, and our Nation's seniors.

I will say again what I said when they brought this immoral bill to our committee: At a time when communities along our gulf coast are hurting, when we are facing the implementation of a confusing new prescription drug law, when our roads and bridges and railways are aging, when millions of Americans are concerned about how they are going to pay for heat in their homes this winter, and when the men and women who have sacrificed to serve us overseas cannot find health care or jobs when they return home, we should be focused on protecting our most vulnerable, not handing them further burdens.

There is one particular area that warrants mentioning because we have heard a lot about it in recent days, and that is health care. We heard the President talk about his health care priorities in his State of the Union Address last week. But every American knows that actions speak louder than words.

One of the most serious challenges facing all working families today is the escalating cost of health care. Instead of addressing the increasing cost of health care and its impact on the uninsured, last year's failed budget strategy only made this situation worse.

In the reconciliation package the House approved, half of the cuts come from Medicare and Medicaid. We know from a recent CBO report that an estimated 65,000 enrollees in Medicaid will lose coverage under the Republican budget reconciliation bill.

The reconciliation bill shifts greater costs to working families and could reduce Washington State's share of Medicaid funding by \$185 million. The package requires higher copayments and premiums for low-income children. It eliminates the focus on prevention benefits and early screening for children.

Medicaid is an essential safety net program for seniors, for the disabled, and for our children. Without Medicaid, there are very few options available for receiving care. Nationwide, in fact, 40 percent of all births are paid for by Medicaid. Where will these people go for care? Who is going to pay? The reconciliation bill cuts \$35 billion from services that make America stronger and make our communities more secure, all while burdening our children with massive debt.

Rather than being good stewards of taxpayers' dollars and helping our Nation become stronger and more secure, and rather than paying down the debt, Republicans are back to the same game: They want to keep shoveling money right back out the door in the form of billions of dollars in tax breaks for the wealthiest Americans.

My colleagues on the other side of the aisle like to point out that they cut spending by \$40 billion, but they did so by cutting student aid, cutting health care for the poor, and cutting other programs that are critical to working families, and they did it all while increasing the deficit.

As our outgoing Federal Reserve Chairman Alan Greenspan once said:

If you are going to lower taxes, you should not be borrowing essentially the tax cut. That over the long run is not a stable fiscal situation.

I agree. Imposing painful cuts on hard-working families to pay for more tax cuts and then passing the cost on to our children is clearly wrong. We can and we must do better. And let's not forget higher deficits also mean a larger debt. It is no surprise that we soon will be asked to raise the borrowing authority yet again for the Federal Government to over \$8 trillion. That is going to mean less capital for small businesses to expand and it means higher interest rates for every working family.

Once again the budget and Bush priorities will take their toll.

As I look at the challenges facing our country and as I listen to the people in my home State of Washington, it is pretty clear that the top priority now must be making America strong again. And to do that, we need to invest here at home. That means taking care of education, health care, infrastructure, housing, safety, and security, and on each of these fronts, the Bush prior-

ities have been time and again misguided, adrift, and downright painful for millions of Americans.

I believe that in order to make America strong, we need to make investments here at home in our people, in our infrastructure, and in our communities. Everywhere I travel in Washington State, I hear from families who are struggling to find a safe and affordable place to live. Whether it is a young couple looking for their first home or a family searching for rental housing close to their job or a senior citizen who wants to find better access to social services, it is harder than ever in this country to find affordable housing.

Across the country, public housing agencies and nonprofit organizations are working to help families find a place they can call home. At the same time, they are contributing to community revitalization efforts that will bring new jobs and opportunities. But a lack of funding threatens those achievements that have been made and the work that is yet to be done.

It is also critical that we continue to invest in our Nation's infrastructure. Recent cuts in transportation spending threaten to weaken airline safety, impose new transportation costs on American businesses, and cost tens of thousands of construction jobs. Investing in our Nation's transportation infrastructure will help reduce congestion, improve safety, and support continued economic growth. I urge this President to support these critical investments and put action behind his good rhetoric.

When I am home in my State of Washington and here in DC, I hear a lot of concern from the business community, from local governments, and families over the United States losing its global competitiveness. In fact, we heard a lot from President Bush the other night on this very subject. But last year's budget set us on a path that weakened education programs at all levels, and the new budget that was sent to us yesterday does the very same thing.

Last year's budget so constrained our education programs that the Labor-HHS appropriations bill failed once in the House and almost did not pass at all. In the end, programs faced one last hit again, a 1-percent-across-the-board cut that further hindered education at every level.

In a time when our schools are facing increasing requirements under the No Child Left Behind Act and families are facing rising college tuition costs, this is no time to be shortchanging education.

Last year's budget resulted in funding levels that represented the smallest increase in education in a decade, and this year the President is proposing the largest cut to education in 26 years.

This year, \$12.7 billion is proposed to be cut from student loans that help low-income and middle-income families pay for college. Seventy percent of

those cuts will be paid for by students and their families. Those cuts will not go for balancing the budget either; they are going to go for tax cuts for those who need them the least.

Tuition and fees increased this year by 7.1 percent for 4-year public universities and 5.9 percent for private universities. Not only is cutting student aid the wrong priority for our country today, but it will cost our Nation dearly in the long term.

Today only one-third of the U.S. workforce has a postsecondary education, and it is estimated that 60 percent of the new jobs in the 21st century will require college education. Workers who have attended college have higher incomes and lower rates of unemployment than those who do not. And those with a college education are more likely to have jobs with benefits, such as health care and retirement and pension plans.

We should be helping to break down the barriers to a college education, not building them up with this budget plan.

I want to talk about veterans funding because with so many of our brave men and women fighting for us overseas, I believe our most fundamental priority has to be to take care of those who sacrificed so much for all of us.

I have said time and again that actions speak louder than words, but it was, nevertheless, very troubling to me when President Bush failed to even mention our veterans in the State of the Union Address. I hope he will not forget them in the budget process.

I am concerned that the President's fiscal year 2007 budget that was just sent to us is not based on real numbers and does not reflect the real demand for VA services. I am convinced that without real budgets based on real numbers, the VA is going to face a shortfall again this year and more veterans are going to be denied the care they have earned.

The rising utilization rates, increasing costs of medical care, and the influx of veterans from Afghanistan and Iraq are going to require more VA funding.

In addition, the new Medicare prescription drug program has added more demands on the VA. Many seniors who are veterans are now being told they should go to the VA for their prescription drugs. Surely, this influx of new VA patients will have a major impact on the VA system and will inevitably delay access for veterans.

Finally, much of the increased demand on the VA system is due to the nationwide health care crisis. As veterans lose their health care coverage from their own employers, they are coming by the thousands to the VA to get care for the first time. The longer the health care crisis continues to grow, the more the demands will be on the VA to take care of the veterans population.

As my colleagues will remember, last year I was told the VA didn't need any

more funding. The administration told me everything was fine and that they could handle the demands brought about by the Iraq war. I tried time and again to increase funding for the VA to maintain veterans' access to the health care they were told they would get, and I was fought at every level. Then finally in June, Secretary Nicholson announced the VA was, indeed, facing a \$1 billion shortfall in fiscal year 2005 and that the VA miscalculated demands in the VA by over \$3 billion between fiscal year 2005 and 2006.

In June, when I asked whether the administration had adequately planned for the impact of the war, I was told the VA underestimated the number of Iraq war veterans by over 300 percent.

I finally was able to work with my colleagues to attach \$1.5 billion in emergency funding for the VA on the fiscal year 2006 Interior appropriations bill and another \$1.2 billion in the fiscal year 2006 military construction bill to finally cover this shortfall.

Since the war in Iraq began, there have been 2,245 casualties and 16,548 wounded soldiers, sailors, airmen, and marines. Our men and women in uniform—past, present, and future—will time and again answer the call to duty, and at the very least they deserve a budget that fulfills our commitment to them and to their families.

I look forward to debating the President's budget this week. I truly believe it is one of the most important actions that we take every year because it sets the tone for everything else we do.

Tuesday night last week the President told Congress and all Americans that:

In this decisive year, you and I will make choices that determine both the future and the character of our country.

I couldn't agree with him more. Our future and our character are at stake. A budget reflects our priorities and our values. Let's make sure our budget for the coming year reflects the best of both, and let's remember that the decisions we make now will tie our hands months from now.

Mr. President, I yield the floor and suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. GRAHAM). The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. COLEMAN. Mr. President, I ask unanimous consent the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

PROGRESS OF THE ECONOMY

Mr. COLEMAN. Mr. President, I wish to spend a little time today talking about the economy. When I was mayor of St. Paul, people would say: Mayor, what are you doing for kids? My response would be: The best thing I can do for kids is make sure mom and dad have a job. The best welfare program is a job. The best housing program is a job. Access to health care most often

comes through a job. So that was always my goal—jobs, jobs, jobs.

I want to talk about the economy, but I want to touch briefly on the budget. The President submitted his budget. There will be a lot of debate. It is the beginning of a conversation. The President submits a budget and then we take a look at that budget and we weigh a number of options and ultimately it concludes. It is the beginning of a conversation.

One of the things I find somewhat frustrating is that my colleagues on the other side of the aisle talk about the deficit. We are all concerned about the deficit. We do not want to pass on debt to our kids. We don't want to put obligations on them from what we do today. We need to be more responsible. So we hear concern about the deficit, about which we are all concerned. Then anytime the President says we have to keep a lid on spending, our friends on the other side of the aisle complain that we are cutting too much. You cannot be so passionate about the deficit if you are not willing to do something about it. It is not enough to complain. It is not enough just to be against.

What the President has done is say: OK, we are going to cut the deficit in half by 2009. We are going to have to make some tough choices. We will have to make some very tough choices. But the answer is not simply raising taxes. The answer is not more spending. We are going to have to do the hard act of governing. It is not enough just to complain. It is not enough to say what you are against. What is your alternative? What are you for?

The President has laid on the table a budget with the hope of continuing pro-growth policies, restraining spending, cutting the deficit and, perhaps most importantly, dealing with the long-term danger, the challenges we face with close to 70 percent of our budget going to things that are mandated. So we have to look at Social Security and Medicaid, and we have to do the right thing—do the right thing for our seniors, do the right thing for those in need. We have to have the courage to look at those things and act. You can't just complain. You can't keep complaining about the deficit and every time there is an opportunity to put a lid on spending you are against that. It doesn't make sense. It doesn't add up.

I wish to talk a little about where we are today and what has happened with what we have done in the past. We passed some tax relief. Mr. President, you and I together had the opportunity to be here during consideration of a number of proposals which have actually cut taxes. What has been the result? Let us look a little bit at the numbers.

The President's tax relief has produced more than 4.7 million new jobs since November 2003 when he signed the legislation accelerating broad-based income tax reductions and provided capital gains and income tax relief. Today the unemployment rate is