

to the new PAYGO rules, claim that the increases will be offset by eliminating some of the important tax relief Congress has passed over the last 5 years.

This rationale assumes that a tax cut is simply a straight-out loss of revenue for the Federal Government. This is why it is extremely important to consider how tax cuts have actually affected revenues over the last couple of years.

For example, the Joint Committee on Taxation estimated that the cost of the 2003 and 2004 tax cuts would equal \$296 billion in lost revenues for fiscal years 2003 to 2005.

However, tax revenues actually finished fiscal year 2005 at \$124 billion above the adjusted baseline, meaning that 42 percent of the projected revenue loss had been recouped. That number still continues to grow each year.

It is irresponsible to assume that by eliminating tax relief the government will see an increase in revenues. I believe the opposite is true.

We must take into account the increased capital that tax relief produces, which translates into more investments and savings, more jobs, and, ultimately, more income tax revenues.

This is why I will soon reintroduce my bill to require the CBO and Joint Committee on Taxation to include dynamic scores in their analysis of all revenue bills, and encourage my colleagues to cosponsor it.

We cannot continue to make policy decisions based on predictions that simply do not take into consideration fundamental economic principles that have been proven time and again.

Mr. CAMPBELL of California. Mr. Speaker, I thank the gentleman from Arizona.

And now from the great desert Southwest to the South, I yield to Dr. GINGREY, the gentleman from Georgia.

Mr. GINGREY. Mr. Speaker, I thank the gentleman from California for yielding.

And I want to take just a second to join my colleagues from Georgia and particularly the two that are on the floor tonight, Dr. PRICE and Representative WESTMORELAND, in saying to our colleague CHARLIE NORWOOD that we are praying for you, buddy. All of us from Georgia, but every Member of this body on both sides of the aisle are praying that the miracle of God's healing will deliver you back to us soon, and we think about you constantly.

Mr. Speaker, this hour is a great opportunity for us to discuss the budget. And I had an opportunity this morning to be on the C-SPAN program, and the host said to me, Congressman, are you aware of the fact that one of the Members of the other body has recommended that maybe we need something called a war tax to pay for our Operations Iraqi and Enduring Freedom? And I said to the host, I know that has probably been done in the history of this country. Maybe it was necessary to fund a previous war. But the thing about this President and this administration is because of these economic principles of cutting taxes and growing revenue, fortunately, Mr.

Speaker, we have been able to do this without raising the people's taxes. And I certainly commend President Bush for that foresight and wisdom and the former majority party as we supported those tax cuts when it was predicted that it would cost the economy over a 10-year period something like \$1.3 trillion.

So what I would like to say to my friends on the other side of the aisle in particular as I wrap up quickly, and I know time is limited, on the defense budget, please, please do not cut future combat systems. Don't cut our missile defense system to pay for some social programs when the defense of this Nation is so important at this time of war.

With that, I really appreciate my colleague giving me the opportunity to weigh in tonight.

Mr. CAMPBELL of California. Mr. Speaker, I thank the gentleman from Georgia. And I would just like to say to everyone who is watching and listening, you have been listening for the last hour to members of the Republican Study Committee. You will be hearing a lot from us because we want to watch out for your money and your interests, not the government and the government's interests.

To close things I would like to yield to another new Member of Congress, the gentleman from Ohio (Mr. JORDAN).

Mr. JORDAN of Ohio. Mr. Speaker, I thank the gentleman from California for yielding.

I just want to follow up on the gentleman from Georgia's comments. He is exactly right about the defense portion of this budget. It is critical at this time with the terror threat that we face that we do what is right by the defense budget. In 1945, 38 percent of gross domestic product was spent on the defense. Today it is 3.8 percent at a time, as I said earlier, where we have terrorists around the world who want to do our families and our country harm.

Normally when we talk about budgets, and folks have pointed this out, we get focused on the numbers, on the data, on the policy, and I think all too often we forget about the people, the families out there who are impacted by our decision. And I am hopeful over the next few weeks that we really focus on the impact our decisions are going to have on families and taxpayers and business owners.

I am reminded of a story of a constituent of ours a few years ago who wanted to meet with our U.S. Senator. And our constituent is a successful businessman in the manufacturing sector, and we were discussing the whole issue of trade and competing with China and India. And we sat down with our United States Senator, and our constituent took the piece that they make, and he had taped to that piece two pennies, and he took that manufactured piece of steel and he slid it across the table to our Senator, and he said, Senator, those two pennies, those

2 cents, represent our labor costs in that piece. He said, we can compete with anybody on labor. We are so efficient, our processes, our systems. What we do in our business, we are so good at it, we can compete with anybody. He says, what makes it tough for us to compete is the things you guys do, and he pointed right to our Senator.

It is the things the politicians do. It is the high taxes. It is the high regulation. It is the ridiculous spending we have heard others talk about here over the last hour. Those are the things that make it tough on the families and taxpayers of this great country to compete; to start their business; to go after their goals, their dreams; to pursue those things that have meaning and significance to them as a family.

And I am hopeful, as we proceed on this debate over the next weeks, several months, that we will remember the business owners and the families out there who are making it and doing the things that make this country the greatest Nation in the world.

I appreciate the time we have had here. I appreciate the gentleman from California and this opportunity to share with the American people.

HEALTH CARE

The SPEAKER pro tempore (Mr. HILL). Under the Speaker's announced policy of January 18, 2007, the gentleman from New Jersey (Mr. PALLONE) is recognized for 60 minutes.

Mr. PALLONE. Mr. Speaker, this evening I am joined by some of my colleagues who are new Members, and we are going to talk about the President's health care proposals and also what he articulated both in his State of the Union Address, and more recently last Monday when he gave us his budget message.

And my concern, as always, is that President Bush has prioritized, or says he wants to prioritize, health care as an issue and particularly deal with the problem of the uninsured. And we certainly recognize that under his watch as President for the last 6 or 7 years that the problem of the uninsured has grown greater in this country. There are more uninsured than ever. But at the same time the proposals that the President puts forward, in particular the amount of money that has been allocated in his budget for some of these health care needs, does not go along, essentially, with the rhetoric that he has been using, saying that he wants to cover the uninsured and prioritize the concerns of the uninsured.

And, again, I always say my effort is not to chastise the President. I appreciate the fact that President Bush is prioritizing health care and talking about it, because he has the bully pulpit, and to the extent that he is out there talking about health care, it gives us an opportunity in the Congress to address the issue.

□ 1815

But it is unfortunate that the proposals in the budget that he proposes

do not really go along with any kind of concerted effort that would be meaningful to address those health care concerns, and particularly the problems of the uninsured.

Before I begin, I wanted to yield to my colleague from Colorado. I know he and I were both watching the debate by our Republican colleagues in the last hour. I know he would like to address some of those concerns.

I yield to the gentleman from Colorado.

Mr. PERLMUTTER. Mr. Speaker, I thank my friend, Congressman PALLONE.

We did have a chance to hear our friends from the Republican side of the aisle. They talked about how they could manage the budget, how this President's budget was great and good for America. But last November, the people of this country cut through the smoke and mirrors of the Republican budgets, and they asked for and voted for a change in direction of this country.

Let's just start with where this Republican President and the Republican Congress left off last fall when we had the elections. Under George Bush, under this presidency, we have had another \$3.9 trillion added to the debt of this country. The debt on each one of us now is about \$29,000 per person and rising every day under this White House and the Republican Congress. There was nowhere near a balanced budget at any time over the last few years, just continuing to dig us deeper and deeper and deeper into debt.

The people of this country saw it. They didn't want anymore of that, because they understand that, right now, because of that debt that has been incurred over the last few years, the interest that we pay on our debt now dwarfs what we spend on education, veterans' benefits and homeland security, to just name a few, because we are spending so much, because we borrowed so much. The President and White House has proposed a budget where we continue to borrow and spend and drive our country farther and farther into debt.

They talked about how they could manage the budget so much better. My friends here know they didn't even finish the budget. We had to take a mess that was left over by the Republican Congress and really the White House where they didn't finish their business. We had to deal with it last week to try to get our budget in order.

The Democratic Congress really is changing the way business is being done here in our Nation's Capital because we are addressing budget problems. And we are going to show that we really do believe in making health care a priority and not just giving lip service to it.

So I would like to yield back to Mr. PALLONE or to our friend, Representative CASTOR, for their comments, and then I would like to talk about how the President's health care budget affects the people in Colorado, my fair State.

Mr. PALLONE. Mr. Speaker, I appreciate the gentleman's comments. This does directly relate to the health care debate, because if you are in a State where your deficit continues to climb, as we face now under the years of the Republican majority, it is very difficult to address any unmet needs, whether it be health care or whatever, because of the deficit and the constant having to pay back on the debt.

I wanted to say something about what you mentioned in response to our Republican colleagues. I have been here a long time, almost 20 years now, I am in my 19th year. When I first started in 1988, the Democrats were in the majority.

There were a group of Republicans who used to come down every night doing special orders, just like we are, and they would have the pages bring this huge digital clock that literally was the whole length of the well, from this chart over to where my colleague from Colorado is, and there would be two or three pages that would bring this big digital clock down. They would go on and rail about the deficit and the deficit was going up so much a day. This literally went on for like 6 years while I was down here, from when I first started in 1988 until 1994.

In 1994, the Republicans took the majority under Newt Gingrich. The digital clock disappeared, and all we heard were constant spending and going deeper into debt, and nobody in the Republican Party ever mentioned the deficit again as it continued to climb in those years, and particularly now under President Bush. For the life of me, I don't understand where this whole traditional Republican philosophy, which was to care how you spent the money and you didn't want to go into debt, just disappeared from their ideology.

In fact, I have to say, in the last campaign, because you mentioned it, President Clinton was actually at an event that I attended in New Jersey, and I am not sure I can repeat exactly what he said. But essentially he said that he watched the Republican party under their congressional majority in the 12 years or so that they were in the majority go from this party of principles that was worried about not getting involved in wars that were not in the interest of the United States, worrying about the debt and spending money, to a party that just abandoned all these ideals.

He actually said, right now, the Democrats cover both the left and right ideologically, because we are still concerned about the problems of the average person in that we want to cover people who don't have health insurance. We want to make sure people can afford to send their kids to college. But at the same time, we have covered the area where we don't want to get involved in foreign wars or foreign entanglements that are not in our interest. And, most importantly, we are the ones most worried about the debt and trying to make sure we are not spending a lot of money.

Now, all of a sudden, we are in the majority, and they are starting to talk about the deficit that they have grown so much in the last 12 years. It is unbelievable.

When you talk about the health care debate, this goes to the heart of it, because the bottom line is, if you want to expand and deal with the problem of the uninsured, some of them are people that are not going to be able to afford to buy their own health insurance. If you don't have any money because you just keep racking up this huge debt, you are not going to be able to cover the people. So it directly relates.

I just wanted to give these statistics about where we have been in the last few years. If you look at this, the point I have been trying to make is under the President's watch for the last 6 or 7 years, not only have the number of uninsured gone up, but the cost of health care and health insurance keeps rising. Therefore, it has just become unaffordable for a lot of Americans.

This chart says that workers are now paying an average of \$1,094 more in annual health care premiums for their families than they did in the year 2000. You can see the problem with the affordability of health care.

Then the next chart has the number of uninsured in 2001, 41.2 million, and the number of uninsured in 2006, 47 million. One million more Americans become uninsured each year under the President's watch.

The chart over there, I will leave to the gentleman to explain.

Mr. PERLMUTTER. Our chart in this instance shows the number of uninsured now exceeds the cumulative population of 24 States plus the District of Columbia, so all of those States that are in red and the District of Columbia, we have more people who don't have insurance. Under the budgets that have been proposed by the President and have been passed or just sort of glossed over by the prior Congresses, we have seen an assist to the wealthiest people in this country, while at the same time the people in the middle, the hard-working people of this country, have found themselves finding it harder and harder to make ends meet and have health insurance for themselves and their families.

Mr. PALLONE. Just briefly, I want to yield to the gentlewoman, and I have my colleague from the Virgin Islands here, too. The problem with what the President has proposed, both in the State of the Union and the budget message on Monday, there are really two major ways to cover more of these uninsured. One is, you do something with the employer-based system, which is traditionally the way most people get their insurance, on the job, so it is easier for employers to provide health insurance and for their employees to contribute to it.

The other, of course, is to build on existing Federal programs, whether it be Medicaid or Medicare or SCHIP, the program for kids, to expand eligibility

and make it so more people can sign up for them.

The problem that I wanted to point out tonight, and we will get into it more, is that between the State of the Union address and the budget message, what the President has proposed totally really does nothing to affect either of those areas. He is basically talking about taxing employer-sponsored benefits, group plans, if they are a good plan, and sending people into the individual market with some kind of a tax break. Generally speaking, that is not very helpful because it is going to penalize the people who have a good employer-sponsored plan and at the same time push people into the individual market where they probably cannot afford to buy a good policy. Then with the budget message on Monday, we got all these cuts in Medicaid, SCHIP, the government programs that we would like to see expanded to cover more of the uninsured.

So, between the two, he is addressing the problem but coming with proposals that, in my opinion, actually make it worse.

I yield now to the gentlewoman from Florida. I am glad she is with us tonight.

Ms. CASTOR. I thank my colleague from New Jersey, who has been such a leader for the American people for access to better health care. He is absolutely right, that the President's actions don't match his words. I have also been combing through the Presidential budget proposal. One of my hometown newspapers said that the Presidential budget should begin with these words: "Once upon a time," as in a fairy tale. I am a mom with two young daughters at home. We do a lot of reading at night and try to get the homework done. We will do reading of fairy tales. This, what the White House has sent over, is a political fairy tale. Unfortunately, it is going to hurt a lot of folks. It is going to hurt a lot of our constituents back home. I thought we could explain that a little bit.

Oftentimes we talk in such technical terms in government. When we talk of Medicaid and people say Medicaid, sometimes they get Medicaid and Medicare mixed up.

Medicaid, these are pregnant women, infants, children in families earning about \$25,000 a year, foster kids, medically needy adults, a lot of our senior citizens in nursing homes. So when you hear there are Medicaid cuts, I would like us to really put a face on that and say they are going after the most vulnerable in this country, infants, poor kids, foster kids and seniors in nursing homes.

Also the budget sent over from the White House will hurt our seniors. The White House proposes to cut Medicare. Now, I am from Florida, and a lot of folks retire down to Florida. They have worked hard all their lives, and this is really one of the only benefits that we can give them, in addition to Social Security. So what the White House

budget is proposing to do is ask them to pay even more. They are asking our hardworking doctors to take a cut as well.

What that does in my community in Tampa Bay is it discourages the best doctors from participating in Medicare. You see, I want my seniors to have the best medical care. I want them to see the best doctors, and I want those good doctors to stay in the Medicare system.

This would also hurt our children, our kids back home. My colleague from New Jersey knows this very well, that under the State Children's Health Insurance Program, we have a lot of needs. The States, our local communities, the Feds, we have been doing a pretty good job. But, do you know what? We can do a whole lot better. We must do a lot better.

So it was very disappointing to receive this budget from the White House that says: Do you know what? Even though we are making such progress, and we have such tremendous needs in this country for children to be able to go in and see a doctor, get their immunizations, get some advice on how to take care of themselves, they say we are not going to do that.

Their priorities are out of whack. Instead, I think it is a blatant political statement that we are going to continue these tax cuts for the wealthiest among us, and we are going to sock it to the most vulnerable, our seniors and our kids.

Mr. PALLONE. Mr. Speaker, I appreciate the gentlewoman's remarks. You brought it home. It is hard sometimes to talk about the budget. The budget at the Federal level is a very complex thing. But we have to give an explanation, I think, about what the President's proposal is doing, which is really the opposite. It is not going to make it easier to cover the uninsured, it is going to make it more difficult.

I now yield to the gentlewoman from the Virgin Islands, who is a physician and who has been very active in the whole health care issue for a number of years here in the Congress, particularly on the whole health care disparities issue, which is another thing that we haven't really talked about so much in this Congress, but has to be addressed.

□ 1830

I thank my colleague for yielding, and I want to thank Congressman PALLONE for his leadership on health care for a number of years. And we are really happy that you are going to be chairing the Health Subcommittee, and we look forward to addressing all these issues with you.

But certainly, as you were saying, as we look at how we can expand access to health care and bring more Americans under coverage, we can't start by cutting what has been the backbone of health care, Medicare and Medicaid, SCHIP. Those need to be really strengthened.

As we look at the President's budget, which is very disappointing and one

fairy tale that is not going to end, "and they lived happily ever after," because the cuts that we are seeing are leaving our seniors, our disabled, and our children and pregnant women who are about to bring children into the world without the access to the kind of health care that they need.

Beyond that, as we look at health disparities for people of color, African Americans, Latino Americans, Native Americans, Asian Pacific Islanders, there is nothing in the budget that addresses the gaps in health care for these populations. And certainly, if we are ever going to reduce the skyrocketing cost of health care, we need to focus on prevention and comprehensive systems of care that help people to stay healthy. And we also have to look at the social determinants of health care. You can't live in rundown housing and polluted neighborhoods and be healthy. So we have a lot of things to address.

And going beyond the cuts that you have already talked about in Medicare and Medicaid and SCHIP, there are so many other areas that are being cut as well that further undermines what we need to do to provide good quality comprehensive health care for people in this country. Some of them, funding for training: In the President's budget, again, nursing training is cut \$88 million; the National Health Service Corps is cut; health profession training programs that bring some of the underrepresented minorities to serve our increasingly diverse population are cut \$135 million, and it has already been cut in 2006; \$143 million for children's vaccines is cut, vaccines, one of the bulwarks of prevention in this country; mental health programs cut \$159 million; rural health cut \$143 million.

So instead of helping, and you rightly point out that the proposal, the only proposal that we have heard with respect to health care in this country, the President's proposal and tax credits does more to harm the system than help the system. And then, in addition to that, undermining the safety net of Medicaid, Medicare, and SCHIP, as well as cutting some of the programs that provide the services that would be there to keep people healthy.

So this budget is a terrible budget. I know that we are under very, very tight fiscal constraints with huge unprecedented deficits, huge debts, but somehow the people are counting on us to improve health care in this country. And improving health care in this country really improves productivity. It keeps our country strong, and it is a matter of national security. And the health of our people is the health of our Nation, and we have to find a way to restore these cuts in the budget and close the gaps in health care, expand access to more Americans; and in doing so, we really will be helping our country.

Mr. PALLONE. I appreciate the gentlewoman's comments, and I know how much you have worked on this issue

and, in particular, the disparities issues. I could go on, too, with some of these things. We have worked a lot on health care for American Indians and the Indian Health Service. Now, there is a slight increase for the Indian Health Service, but he took out the whole urban Indian issue. And we find a lot of American Indians now gravitating toward urban areas, and he just cut out the whole program for them.

I want to yield to some of the other Members. But if we could just, because it is hard to explain this whole thing with the President's tax initiatives, but I think we should spend a little time on it. In his State of the Union Address, what he basically said is that, for the people who are in employer-sponsored health insurance, which still most Americans get their health insurance that way, a lot of them either through their union or individually with their employers have bargained, if you will, to have a very good health care package that is comprehensive; and what basically he is saying is, if it is too good, I will call it the Cadillac proposal, then we are going to tax you because you don't need such great health coverage. And then, at the same time, whatever money we are going to save on that, we are going to use by giving a tax break for those who go and try to buy insurance through the individual market. But the problem with that is, you know, the individual market is very volatile, very insecure, no guarantee that you can even buy a policy. So most of these people that are uninsured are not in a position to buy a policy in the individual market. So even if they get a break, it is probably not going to mean that much to them that they would actually be able to buy a good policy. So why would you sacrifice people who have a good policy and tax them to pay for people to go into the individual market, which is one that you may not be able to even get into anyway because it is expensive or there are all kinds of problems with eligibility. So that is the biggest concern. I don't know if anybody wants to talk about that, but that is why I think his proposal for employer sponsored care just makes no sense. If anybody wants to address that, otherwise, I will yield to you, and you talk about whatever you would like. The gentleman from Wisconsin.

Mr. KAGEN. I thank you for yielding and thank you for putting on this opportunity, making it possible for some of us to express not just our views but the views of the people back home that we represent.

Mr. PALLONE. I should mention that you are a physician as well.

Mr. KAGEN. But I don't want you to hold it against me. And I won't hold it against Mrs. CHRISTENSEN that you have "M.D." behind your name.

But if you ask around the Chamber and ask around back home, everyone that I know understands that how you spend your money and where you spend your money is a reflection of your val-

ues. And the current administration has shown us where their values are, and they are not with people. They are not really helping us to provide care to millions of people, 48 million, who don't have access to affordable health care, in this country.

His State of the Union was very uplifting. He should be commended for bringing up the subject of providing access to health care for everyone. But his policy, as we talked about last week, raises taxes and offers no hope of lowering the cost of health care for insurance costs or prescription drug costs. And, more recently, with his 2,500 page budget, which I haven't finished all the fine print yet, he has shown us his values once again.

The first thing he did was to cut benefits to veterans and make it much more difficult for veterans to get the well-deserved benefits that they have earned and that they deserve.

What did he do? He is asking for \$3.4 billion to come from veterans who have already earned their benefits, but now they have to kick it in. They are going to have to pay for their benefits that they have already earned. There are increasing copayments for veterans in their budget. I don't know where he is coming from on this, but he can't be coming from Wisconsin.

Mr. PERLMUTTER. My friend from Wisconsin is so right on this subject. It really is, where are your values? They are reflected in a budget. Now, as I said earlier, they didn't pass a budget last year. But last week, we passed a budget, and we wanted to show this country how much veterans mean to this country. And instead of cutting benefits, we raise benefits for our veterans.

We are changing the direction of this Nation because we know what the values of this Nation are, and they aren't reflected in the President's budget. They weren't reflected by the Republican's failure to deal with a budget last year. But they were reflected in what we did last week in taking a budget that hadn't been dealt with by the prior Congress and showing the world, showing this country, showing your State, my district, that we care about our veterans. And in this budget that the President has given to us for next year, again, this President has cut veterans benefits and medical benefits over the next 5 years.

I would like to yield back to my friend from Wisconsin.

Mr. PALLONE. If you could just yield to me for a second. I really appreciate you bringing this up because I think it is so much on point. And I know there is a lot of confusion.

We have a fiscal year that goes from October to October. Last year, when the Republicans were in the majority, they didn't deal with the budget at all. They literally left at the end of the session in their lame duck in December and said, we can't pass the budget, we can't deal with the appropriations, so we are going to go home, and we will leave it to the next Congress. So lit-

erally last week, we had to adopt the budget of the appropriations of the previous year that had already began October 1st, and it was level funding. In other words, it was basically a continuing resolution that didn't add any money and used the previous year's budget as a baseline. And even with that, we were able to increase money for veterans' health, for Ryan White, which deals with HIV, for global AIDS, for the National Institutes of Health. The emphasis and the priority was on trying to provide more money for health care even as we were cutting other things, and we did that.

The reality is that President Bush's budget that we got this week, which is for next year, because the last year's budget has not been passed in the Senate and gone to his desk yet, didn't even take into consideration, and in many of the cases, those health care items that he put in this budget are less than what we adopted in that continuing resolution.

So here we are trying to make everything right, and we are not getting any help either from the Republicans last year when they were in the majority or now from the President and the Republicans on the other side. And for them to even come down here tonight and talk about the budget or the deficit is absurd given their record.

I yield back.

Mr. KAGEN. Thank you very much, Congressman PALLONE. And what Congressman PERLMUTTER says is true. Really, let's ask the right question. A lot of times in your career, being an attorney, you have to ask the right question to get the truth out of somebody. So what kind of Nation are we, and in which direction shall we move? Are we a Nation that values and treasures those who have served in harm's way in our military? I think we are. Are we a Nation that values the health and education of our children and the mothers that care for them? I think that we are. And that is really where Democrats differ from our opposition party. I really believe that our core values resonate with everyone, not just in Wisconsin where I come from but everywhere, in Florida as well.

I yield to Congresswoman CASTOR.

Ms. CASTOR. We talked earlier about how the White House budget proposal we received this week is a fairy tale, but its impact on our veterans really is a nightmare. The State of Florida where I am from, we have the second highest number of veterans in the country, and in my district, I have the busiest VA center in the country, the James Haley Center, which saw over 1.5 million vets last year. That is more than the population of the State of Kansas we saw at the Haley Center in Tampa.

The Haley Center is specialized for current Iraq war vets injured, coming back, that are suffering the IED blasts, spinal cord injuries, brain injuries. And in Florida, out of all the VA medical centers, Haley, the busiest, we have

gone now over the past 10 years from 2 million visits to over 5 million visits. And how can we say this is a reflection of values? How can we say we are going to step back from that responsibility? How can the White House send us a budget that steps back, at a time where they are escalating the war in Iraq, they are going to deescalate the commitment to our veterans? I don't think so.

In this Democratic Congress, we are going to take a new direction. There is new leadership in Washington, DC. And I am proud to be joined by some of the new Members, my colleagues, tonight, and also join with the efforts of leaders like my colleague from New Jersey. And I yield back.

Mr. PALLONE. I appreciate your comments. And I really think it is important that we keep stressing how we want to prioritize these health care needs, and there are so many, whether it is veterans or children or whatever it is.

I just want to give you a couple statistics. And I know it gets so bureaucratic to say, what is he doing up here with these statistics?

□ 1845

When we talk about the uninsured, the biggest groups still are the kids, and the gentlewoman from the Virgin Islands knows how much over the years what this SCHIP or kid care program, that we have tried to prioritize that, send the money back to the States, use their help to try to insure a lot of these kids.

I just use my State, but you could use any State. In my State right now for this SCHIP or kid care program, we have more kids that are eligible, meaning that they could theoretically sign up, or their parents could sign up, for this program than are currently enrolled, even though the program has been around for a while, and that is true in almost every State.

What we were hoping was that the President, in saying he wanted to deal with the uninsured, and knowing that the biggest group of uninsured is children, believe it or not, that he would simply provide funding to at least enroll those kids that are not enrolled who are currently eligible for the program. I am not even talking about expanding eligibility to kids who would not be eligible right now.

We got some statistics because we had a hearing with the Secretary of Health and Human Services earlier this week, and the number of children, if you want to just enroll those who are currently eligible, we figure it would take about \$12- to \$14 billion over 5 years to keep up with medical inflation to prevent current enrolled children from losing their coverage. I am talking about the ones that are now in the SCHIP program, \$12- to \$14 billion over 5 years just to make sure that they are still funded, those that are in it, and then at least another \$35- to \$45 billion over 5 years to reach eligible but unin-

sured children. These are the ones that could enroll, but they just have not for some reason. Their parents do not know about the program, the application is difficult, who knows.

So you are talking about what, maybe \$60 billion over the next 5 years if you want to keep, to keep those that are in the program and expand it to those who are eligible, and we are not even talking about expanding eligibility.

He comes in, the President, in his budget with \$5 billion. That would not even allow us to keep up with the kids that are currently in the program. These are not kids that are really poor and the parents are not working. These are working parents. I think the eligibility is up to like \$38,000 for a family of four. They are working, but they cannot get health insurance on the job. We went into that before, and so they try to tap into this Federal program.

Well, the Secretary said, well, we think \$5 billion is enough, and if it is not, well, then the States will have to take care of it. You know, the States are not in a position, I mean, they already have a hard enough time coming up with the money under the current match without having to go beyond that. So I just use that as an example.

The SCHIP, the kids health care program, is for those kids whose parents are working and who are making a little more money and are not eligible for Medicaid, which is for kids that are actually at the poverty level, like less than \$20,000 for a family of four.

Mr. PERLMUTTER. Would the gentleman yield? I think the gentlewoman from Virgin Islands has something to say on this, too, but a couple of things.

In Colorado, on the point you are talking about, the SCHIP for kids, we have 176,000 kids who are at risk in this instance, and based on the President's budget, we cannot keep up with them. We cannot continue to provide them with the care that they deserve.

And as some of you know, I have a daughter with a chronic illness, and luckily, through my law firm, we had a good insurance program for all the trips to the emergency room and the different things like that. So we see on the one hand poorer kids, uninsured kids that are at risk, they are not going to be served, and under this President's budget, as you were saying, those of us who were fortunate enough to have a good insurance policy for kids with chronic illnesses or whatever might affect us, we are going to be taxed on this.

The President has said this budget, and some of his people have said this is a balanced budget with no new taxes over a 5-year period. Well, it is not a balanced budget, and there are new taxes on a lot of people, as you said, who have contracted for, worked for good insurance policies, and at the same time he says we are going to help the underinsured and the uninsured. What we see under the budget, it gets cut as well.

Mrs. CHRISTENSEN. I go back to the day that we were sworn in and our Speaker saying that this was going to be a Congress that was dedicated to our children, and certainly, as everybody has pointed out, this budget that the President has sent out is just going in the opposite direction.

I would say, too, that in the Virgin Islands we do not get full SCHIP, we do not get full Medicare, and therefore, a lot of the services that even, meanwhile limited in the States, you take for granted, we are not even able to provide to our residents. Our veterans as well have to travel to Puerto Rico for their veterans care, and the cuts will cut deeply into their ability to travel to Puerto Rico to get the care that they need.

So, having just laid to rest two soldiers in the Virgin Islands, we are very sensitive to this issue, and we really have to sit down and work on this budget and ensure that our children, our veterans, our seniors receive the kind of health care that they need and deserve, and that we put that investment also to close the gaps in health care for people in our rural communities and people of color in this country.

Mr. PALLONE. I appreciate the gentlewoman's comments.

I just wanted to mention one more thing. The President in his budget message highlighted this SCHIP program, this kid care program, saying they are going to get another \$5 billion, which, as I said, is not enough to keep up with the kids currently in the program.

But at the same time the Medicaid program, which deals with those who really are in poverty and whose parents probably are not working because they are disabled or whatever their situation is, covers even more kids than the SCHIP, because SCHIP was put in place to try to supplement Medicaid.

So I asked this question of the Secretary. I did not even get a response, because in the President's budget Medicaid, which covers 23 million children, SCHIP only covers 6.6-. So Medicaid covers 23-, SCHIP covers 6.6-. They herald the fact that they are giving \$5 billion in extra dollars to SCHIP which does not even keep up with inflation, but in the same time over the 5 years, they cut Federal funding for Medicaid by \$25.7 billion, and Medicaid covers, what did we say, five times as many kids and five times the cut. So we are not even talking about the poor kids here. He is just saying, well, forget them. I mean, I am not even addressing the problem of the poor kids and what happens to them.

I yield to the gentleman.

Mr. KAGEN. Well, the question then comes up, it is not just about values; it is about choices. So, if we are not going to be spending our hard-earned tax dollars for the good health of children, children who are in need, where are we going to spend that money? Where does the budget choose to spend it? Not here in our country, but in the sands of Iraq.

And I would suggest to you and everyone listening that we really cannot solve our health care problems, we really cannot solve many of the problems we are facing until we begin to bring an end to that involvement in that civil war in Iraq. I do not think any day should go by that we do not all stand up and ask the question where do you want to spend your hard-earned money, here at home or in the sands of Iraq?

You are quite correct; the budget the President has proposed is deficient, is neglectful to those who are most at risk, the children in poverty, and if you are not healthy, if you are not well fed, you cannot go to school and learn anything. If you do not get your education, you are not going to build a better future that we all require.

Mr. PALLONE. Can I just ask you, because I know you are a physician, when we talk about some of these programs like Medicaid, SCHIP, Medicare, and I know the gentlewoman from Florida brought it up. I know it is hard a lot of times when you are on the floor and you talk about doctors and they are not getting enough money for Medicare. They will say the doctors are all making a lot of money; why are you bringing that up?

The reality is we are getting to a crisis now where many physicians simply will not accept payment from some of these programs because the reimbursement rate has gotten so low.

Now, you mentioned Medicare, because that is the big one for seniors and the disabled, and how a lot of doctors now are not even looking to take Medicare, but when you talk about Medicaid, which I mentioned before, that has gotten to the point of no return.

Could I yield to you? Do doctors even take Medicaid in Wisconsin anymore?

Mr. KAGEN. Yes, they do. We go into medicine, most of us, because we care about people. We seek to solve problems for people.

The model at our clinic was how can we help you today. So we take people, and we take all people, but the real question is this: Is Medicare able to pay for the cost of producing the service at an institution? They do not. So that cost is shifted to others who can afford to pay, and those prices are sky high.

So many of the problems that we face, government has not really had its feet put to the fire saying, you know, you should pay for the cost of producing the service, at least for the overhead plus a margin of profit; you should pay for the entire cost of producing a medication or a vaccine, or it will not be there.

There are two ways to get rid of anything. Let us take cigarettes as the example. If you want to get rid of cigarettes, tax the heck out of it or do not pay for it. It will be gone. The same is true in health care. If you do not pay for the service, the institution at the hospital, it cannot stand. It cannot balance its budgets.

Most hospitals that I am familiar with in Wisconsin are running margins of profit anywhere from 3 to 5 percent, if they are profitable. So it is very difficult to make it.

But to summarize Medicare, it is over 40,000 pages of rules and regulations. I do not know that there is anyone that fully understands it, and just think of it as a mess, and it does need to be repaired. But I think the more important point is institutions, hospitals, research centers, educational facilities are not being compensated, and the people that will suffer are those yet to become aged, because we are not really adequately funding higher education for the physicians' training and their fellowships and the nurses' positions.

So there are a lot of problem to go after. I will not put you to sleep with the data.

Mr. PALLONE. Well, the one thing that I keep hearing, of course, with the hospitals is their ability to care for what they call uncompensated care. One of the things that the President proposed both in the State of the Union and his budget was to take money from the hospitals that get what they call disproportionate share, DSH. I hate to use these acronyms because it gets so bureaucratic, but your hospitals that have a disproportionate share of people that do not have health insurance, the uncompensated care.

Over the years, we have provided more funding for those hospitals through Medicare and other Federal programs so that they can cover the uninsured. Again, the President says we will give the States more money by cutting the payments to these disproportionate share hospitals.

In my home State of New Jersey, I mean, that is absurd. We have State legislators and the Governor now that are talking about trying to provide some kind of comprehensive health insurance so nobody in New Jersey goes without health insurance. The only way to do that is if the Federal Government provides some additional help in some of the ways we discussed tonight, but if you start cutting back on the funding that is going to these hospitals that cover all these uninsured people, it is like robbing Peter to pay Paul, I guess is the expression. It just does not work.

So I yield to the gentleman.

Mr. KAGEN. It does not have to be that way. With the money we have already spent in Iraq, we could immunize every human on Earth with every vaccine that we know about for the next 95 years. We could have sent 14 million children, our children, to a college education. We could have built over 100, maybe 150, hospitals in each and every State in the Union. There is a lot we could be doing with the money we are spending overseas in Iraq, and it is all about values, and it is all about choices, and we are really getting to a tipping point, I believe, not just in our economy, but people feel it in their gut

that we are headed in the wrong direction still, even though the difference makers, the three of us that just got the opportunity to serve here in Congress, have arrived.

Ms. CASTOR. You all are absolutely right. It is very difficult to understand why the White House wants to sock it to our safety net hospitals. Have you all been to the emergency room lately, tried to get in? The long lines? People are ending up in our emergency rooms for their primary care because they have the flu. They are clogging the emergency rooms.

I was a county commissioner before I was elected to Congress, and the brave men and women in fire rescue said they would transport to the emergency room. It would be so busy and so full, they would have to stay with the emergency patient in the EMS truck for hours because the emergency room was clogged.

We have a crisis in this country, and it is inexplicable that the Bush administration would say by administrative rule and through this budget that has been sent to the Congress this week that we are going to cut money to those hospitals that provide the charity care in our country.

□ 1900

In my district, in the Tampa Bay area, the impact on Tampa General Hospital, which is a level one trauma center, \$64 million. The great All Children's Hospital across the bay in Saint Petersburg, \$31 million; the great St. Joseph's Hospital, another \$20 million.

I would like to go back to SCHIP and also talk about the real-world, children's health insurance, because a few months ago, I ran into a friend of mine from high school, haven't seen her since I graduated 20-something years ago, and I saw her at a children's health insurance discussion.

She told me her story. Her name is Nan Dorton, and she lives in Tampa. She is married and has three kids. Her husband went through a tough time, and he lost his job, so they lost their health insurance. They didn't know what to do. It was very, very tough times. They didn't know about children's health insurance in Florida called KidCare or Healthy Kids, because the State has cut back under Governor Jeb Bush and the Republican legislature and they don't do any more outreach, so it is hard to find out about it.

Fortunately, he got a job. They were provided with health insurance through the employer. But you know how much it costs for that family to have the kids covered, \$700 a month. She said it was hard to choose whether to put food on the table or take the kids to the doctor and sign them up for health insurance. She said, you live in constant fear of your child having to go to the hospital.

But then she found out about children's health insurance and KidCare, and signed them up. She said it revolutionized their lives because under these

health services, they pay a \$20-per-month copayment for all three kids, and they don't have any copays for hospital visits or prescriptions. You know how much money that is saving us because they are not showing up in the emergency room, which is passed on to all of us in our health insurance? That is going to save us because that family is healthier today, and we are going to save that money later on down the road.

Mr. PALLONE. You are absolutely right. I appreciate the fact that you talk about how, by covering kids or even adults, you save money in the emergency room or in hospitalization or whatever it is. But also, you mentioned the outreach, because I talked earlier about how you have more kids that are eligible for this children's health care program than are even in it. The reason is because a lot of States have cut back on outreach, so they don't tell people that they can apply. They don't even know about it. Some States may even be doing it on purpose because they want to save money in the short run. So that is why we talk about reauthorizing this and expanding it. You even need money for the outreach, which is clearly not in the budget.

I yield to the gentleman from Colorado.

Mr. PERLMUTTER. I thank my friend from New Jersey. Just for me, this past election was, the people wanted a new direction. They wanted checks and balances back in this country. They wanted a different perspective to be brought to the values of this Nation. As my friend from Wisconsin and my friend from New Jersey, my friend from Florida said, this budget that the President has presented reflects his values, but I don't think it reflects the values of this country.

Just as we did last week with the concurrent, with the continuing resolution, with the budget that we passed last week, we are going to reflect what I believe are the values of this country, whether it is with veterans. And I just notice, in the President's proposed budget, he is increasing medical care fees for military retirees. The budget increases enrollment fees and deductibles under TRICARE. I can tell you, as I have gone around, my area, Golden, Colorado, Brighton, Aurora, wherever it might be in the suburbs of Denver, those military retirees are already complaining about increases in TRICARE and cuts in benefits that come with respect to that, that we haven't fulfilled the promises that we have made for the great service that we have received from these men and women in our Armed Services.

Now, you know, what are our troops in Afghanistan and Iraq to expect? We are going to provide them with the best care and the best service that we can. And we have got to show prior military retirees that same respect. We have got to do it for our troops now. I question the President's budget on these things.

We are going to change the direction of this Nation. We are going to show what our values are, and they are the values of the people of this country. I am glad to be here, to be a check and balance on this current administration.

Mr. PALLONE. I appreciate the gentleman's comments.

I yield to the gentleman from Wisconsin again.

Mr. KAGEN. Would my colleague agree with me that we will never cut and run from our veterans?

Mr. PERLMUTTER. Absolutely, I will agree. We are not going to cut and run from our veterans. We are going to fulfill the promises that we have made to them for the services that they provided to our country.

Mr. KAGEN. Would my colleague agree that we will support the troops, but not this failed policy?

Mr. PERLMUTTER. Your colleague would agree with that, that our troops are giving us the greatest service, the greatest sacrifices, and they deserve better policies from those who are leading them, particularly, the White House and the administration. Our military is doing great, and we have got to live up to that greatness that they are providing.

Mr. KAGEN. One of the things that I learned by listening to people on the campaign trail, perhaps the greatest lesson, came from a Native American, an outspoken woman, Gwenn Carr, who said, Dr. KAGEN, it is not doctors that determine who lives and who dies, it is politicians. It is politicians that take us to war based on lies and deception. It is politicians that prevent people from having access to affordable health care that they require.

I will share with you a story of Jerry Gajeske. Jerry Gajeske I discovered by knocking on his door. It was not even on his door. It was in Waupaca, Wisconsin, with a college student who 2 days earlier in a dialysis center fainted because of the blood that was available for the eye to see.

We were at the door, and I knocked, a gentleman came and said, ha, are you a real doctor? I said, yes, sir, I am, but I am running for Congress now. He said, well, if you are a real doctor, would you take a look at my cousin?

I said, sure. Because there were barking dogs, I asked him to come out on the porch. While he went out to retrieve his cousin, I turned to my assistant, I said, Katie, are you going to be okay with this because you don't know what this is going to be. "Doc, what could it be?"

Well, his cousin came to the door and stepped out into the sunlight and had an obvious tumor protruding like a softball at the side of his sinus pushing his eye into the orbit. I said, sir, I can tell you it is not an allergy because I am an allergist, but what did your doctor say? He said, well, I saw my doctor several months ago. I could afford him, but I couldn't afford the tests. The tests were going to cost thousands of dollars. But I had lost my job. I had no

coverage. I didn't get the tests. I have been hanging out here. I have 75 bucks to my name hanging out here with my cousin.

Well, I said, that ends right now.

I took him to the local hospital and asked one of my colleagues to see him. We referred him to a tertiary care center. Several weeks ago, he died of a cancer of the sinus.

It is not bad enough that you have to find these people knocking on doors, trying to get elected to office to change things. It is not bad enough that he died without any money or by getting care delayed.

To me, the bad thing was he died of the same cancer that my golden retriever did. But my golden retriever got better health care than Jerry in this country at this time. Jerry didn't make it.

We will never know if by being seen early and diagnosed early, having the availability of the tests, the radiation, the chemotherapy, if he would not be here today. Don't think that it was opportunistic for me to tell this story, he didn't even live in my district.

Jerry is like many, many other people today, who have just fallen off the edge into the crack of the sidewalk; is not being forgotten. Our party, this time, will change health care, not State by State, but across the country and guarantee access to care for everyone.

I will share with you this story that I tell often about Jenny, a single mother of two asthmatic children, who came to see me, and I wrote some prescriptions for the children to get medicine for their asthma. They were missing school.

When she returned a month later, the children were still sick. I said, Jenny, you know, this is good medicine but it only works if you put it in their mouth. She took the same prescriptions out of her purse and said, here they are. I went to the pharmacy, I stood at the counter, and I could see the medicine, but I couldn't afford to put it in their mouth. What are you going to do? I said, well, I am going to run for Congress because I couldn't help her in the office.

I think, by working together, we can build a better future and a better Nation for everyone by changing our health care system now, not later.

Mr. PALLONE. I appreciate your comments, because I know, as a physician and someone so caring, that you really understand how these problems relate to individuals.

I also appreciate the fact that you brought up the issue of priorities, because when we spend so much on the war in Iraq, as you say, we don't have the money, and the gentleman from Colorado talked about the deficit. The fact of the matter is that the President and the Republicans built up this deficit for so long, and now it makes it more difficult for us to find the funds to pay to cover the uninsured in the same way that we are spending all this

money in Iraq, and it means that we don't have the money left.

If I could just conclude, because I know we are running out of time, I do appreciate the fact that, in his State of the Union Address and also in the budget message, that the President was prioritizing health care and pointing out that we have a big problem with the uninsured.

But unless the solutions and the money are there to lead us down the path of covering the uninsured or lowering health care costs, then it is not going to be good enough to just say that is a problem.

I think, as you say, when we talk about going in a new direction, it means that the Democrats and the Democratic majority are determined to not only highlight that these problems exist and that we need to cover the uninsured to reduce cost, but to come up with solutions that practically are going to make a difference. That is why I am so happy that not only are you both here tonight speaking, but just that you are here, because all the new Members and particularly the new Democratic Members, I think, are going to make it possible to address these problems in a practical way.

I would conclude, again, by thanking both of you and everyone who joined us tonight, because we are moving in a new direction, and it is going to make a difference. Thank you.

FREE BORDER PATROL AGENTS IGNACIO RAMOS AND JOSE COMPEAN

The SPEAKER pro tempore. Under the Speaker's announced policy of January 18, 2007, the gentleman from California (Mr. BILBRAY) is recognized for 60 minutes.

Mr. BILBRAY. Mr. Speaker, tonight I am privileged to yield to the second best surfer in Congress, Mr. DANA ROHRBACHER of the great State of California, and I yield to him whatever time he may consume.

Mr. ROHRBACHER. Mr. Speaker, today we discuss a black mark on this administration, a vile crime against two law enforcement officers whose job has been protecting our families and communities and keeping control of America's borders. This sad episode started back on February 17, 2005, just another routine day for Border Patrol agents Ignacio Ramos and Jose Compean. Both were Border Patrol veterans with unblemished service records. Agent Ramos, in fact, had been nominated for Border Patrol Agent of the Year.

As they did their rounds that day 2 years ago, a trip sensor at the border was discovered, and Agent Compean then discovered footprints and drag marks, a usual indication of a drug load being smuggled across the river. He then spotted a vehicle and radioed the description and then followed the suspect. The suspect realized he had been made and turned around to rush back towards Mexico.

Agent Ramos then spotted the van driving at a high rate of speed. After the driver ignored all commands to pull over, of course, Ramos gave chase.

By the way, according to the prosecuting attorney, pursuing fleeing suspects without a supervisor's permission is against Border Patrol policy.

This, in and of itself, is an insane policy. The drug smuggler who they were pursuing abandoned his vehicle and fled toward Mexico on foot but was intercepted by Agent Compean. Once again, ignoring several commands by Agent Compean to stop, a physical altercation ensued with Compean ending up in a ditch.

While seeing his opportunity, the smuggler then ran toward the border, which was nearby. According to Agent Compean's sworn testimony, while running, the suspect turned and pointed with something shiny in his left hand. Believing his life was in danger, Agent Compean opened fire. Hearing gunshots, Agent Ramos came to his side, and he, too, shouted for the smuggler to stop.

□ 1915

But instead of obeying his command, the illegal drug smuggler once again turned as he ran and again pointed something shiny at the officers. Ramos, believing it to be a weapon, fired one shot. After disappearing into the banks of the Rio Grande, the smuggler reappeared on the Mexican side where he jumped into a waiting van. Unbeknownst to the officers, Ramos's bullet may have hit the illegal drug smuggler in the left buttocks.

Minutes after the shooting, seven other agents were on the scene, including two supervisors. When the abandoned van was examined, 743 pounds of marijuana were found. The payload was seized, and one would think congratulations would have been in order. Agent Ramos and Compean are heroes, right? They are responsible for taking off the streets \$1 million worth of drugs bound for our communities. Good job fellows, right? Wrong.

At this moment Agents Ramos and Compean, not the illegal drug smuggler, are languishing in a Federal prison serving 11- and 12-year sentences. This is the worst miscarriage of justice that I have seen in my 25 years of public service. It is a nightmare for the two Border Patrol agents and their families, these Border Patrol agents who willingly risk their lives protecting us for 5 and 10 years.

The whole rotten episode turned justice on its head. The book was thrown at our heroes who protect us, while the drug smugglers got immunity. According to the U.S. attorney, Johnny Sutton, a Bush appointee and a longtime friend of the President, Ramos and Compean are not heroes. In fact, he considers those two officers to be criminals, charging them with assault with serious bodily injury, assault with a deadly weapon, discharge of a firearm while committing a crime of violence,

which carries, of course, a minimum mandatory sentence of 10 years, and a civil rights violation.

Sutton claims that he had no choice but to prosecute the two Border Patrol agents because, according to Sutton, they broke the law when they violated these procedures concerning the discharge of their weapons at this fleeing suspect.

No. Even if procedures were not followed, Sutton could have granted immunity to the law enforcement officers and thrown the book at the drug smuggler. That was his choice. He chose the side of the drug smuggler and threw the book at the Border Patrol agents. This was an indefensible decision, and now Sutton lies to us and to the American people, suggesting that he did not have a choice, that he had to prosecute.

Well, the facts don't back him up. And what happened after this man got away? After the incident the drug smuggler contacted Renee Sanchez, a childhood friend for advice.

Now, why did she contact Renee Sanchez? Because Renee Sanchez happens to be a current Border Patrol agent in Arizona. And instead of turning in this drug smuggler, turning the drug smuggler over to the authorities for prosecution, this law enforcement officer, Agent Sanchez, he is sworn to uphold the laws of the United States, but he chose to personally intervene on behalf of his childhood friend who was a known mule for the drug cartels.

He was also called as a character witness on the drug smuggler's behalf during the trial. Mr. Sanchez contacted the Department of Homeland Security, who in turn decided to open an investigation into the conduct of Ramos and Compean. What? What? You have got a drug smuggler with 750 pounds of narcotics who is being thwarted from making his delivery, and that he complains that he was shot at, and our Government decides to investigate the law enforcement officers.

Mr. Sutton had every chance to focus his enormous prosecutorial powers on the drug dealer, but he chose to target the law enforcement officers. He chose to turn a procedural violation into a criminal act rather than prosecuting a career drug smuggler.

As part of their investigation, the Department of Homeland Security Office of Inspector General sent a special agent to Mexico to offer the drug smuggler immunity in exchange for testimony against the Border Patrol officers. The smuggler was then brought back to the United States and given free medical care at all taxpayers' expense.

Now, one has to wonder if Mr. Sutton, our U.S. attorney, would have even spent one-tenth of that effort trying to find this criminal himself and track him down in Mexico so that he could be extradited and punished for smuggling narcotics into our country. No. No effort was made to do that. Instead, an expensive Herculean effort