

WORLD SOCIAL WORK DAY

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Ohio (Mrs. JONES) is recognized for 5 minutes.

Mrs. JONES of Ohio. Mr. Speaker, I rise in proud recognition of World Social Work Day. First off I would like to extend my gratitude to all social workers for the important work they do. It is selfless work that impacts the most impoverished and sick among us. Your hard work assists millions of individuals, families and communities across the country and the globe.

I have always been a strong advocate for social workers. The field of social work can be a thankless profession which is not very lucrative, so having fully trained professional social workers is always a blessing. In the 108th and 109th Congresses, I introduced a bill that would provide loan forgiveness to social workers who work for child protective agencies. I hear from students all the time who express desire to work as a social worker, but may choose a different field in order to be able to pay for their education.

I want to encourage people who are interested and have a desire to become a social worker, and not have them choose a different career based on the cost of their education. Their work is vital to my community and to all communities, and we need to encourage young people's interest in social work.

This year's theme for National Professional Social Work Month is "Hope and Health." My home is Cleveland, Ohio, and we have been rated as one of the most impoverished cities in the nation. With so many individuals unemployed and unable to provide for themselves or their families, a strong social worker presence is vital for my community.

Thirty-two percent of Clevelanders live below the poverty line.

Almost half of the children live below the poverty line compared to a national average of 18 percent.

Nineteen percent of those children lack any type of health coverage.

There are over 21,000 social workers in the state of Ohio, and the majority of them work in the fields of Mental Health, Child and Family Welfare, Health, and Aging.

I would like to highlight North East Ohio Health Services, which is a behavioral health care organization that provides services to the residents of Cuyahoga County. They have many programs that reach children through seniors in crisis intervention to continuing care. I am grateful for organizations like North East Ohio Health Services that employ social workers to assist my constituents with the greatest need.

Mr. Speaker, I would like to thank all my colleagues in the House who are social workers, and especially Congressman CIRO RODRIGUEZ for arranging this special order to recognize World Social Work Day. And I would like to reiterate my deepest respect and admiration to all the people who choose to devote their lives and careers to providing a helping hand to the most desperate among us.

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

(Mr. GARRETT of New Jersey addressed the House. His remarks will ap-

pear hereafter in the Extensions of Remarks.)

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

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

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

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

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New York (Mrs. MCCARTHY) is recognized for 5 minutes.

(Mrs. MCCARTHY of New York addressed the House. Her remarks will appear hereafter in the Extensions of Remarks.)

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Kansas (Mrs. BOYDA) is recognized for 5 minutes.

(Mrs. BOYDA of Kansas addressed the House. Her remarks will appear hereafter in the Extensions of Remarks.)

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

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

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from the District of Columbia (Ms. NORTON) is recognized for 5 minutes.

(Ms. NORTON addressed the House. Her remarks will appear hereafter in the Extensions of Remarks.)

APPOINTMENT OF MEMBERS TO JOINT ECONOMIC COMMITTEE

The SPEAKER pro tempore. Pursuant to 15 U.S.C. 1024(a), and the order of the House of January 4, 2007, the Chair announces the Speaker's appointment of the following Members of the House to the Joint Economic Committee:

Mr. BRADY, Texas
Mr. ENGLISH, Pennsylvania
Mr. PAUL, Texas

ANNUAL BUDGET DEBATE

The SPEAKER pro tempore. Under the Speaker's announced policy of January 18, 2007, the gentleman from Texas (Mr. HENSARLING) is recognized

for 60 minutes as the designee of the minority leader.

Mr. HENSARLING. Mr. Speaker, tonight we start an important debate that we have here each year in this Nation, and that is a debate over the annual budget. I know for a lot of people, Mr. Speaker, this is a debate about numbers, kind of a green-shade visor exercise, but frankly, it is a lot more than that. It has a lot to do with values. It has a lot to do with principles.

□ 2145

And it is a debate that the American people need to pay very close attention to. Clearly, we know the results of the last election: there is a new majority party. The Democrat majority has taken control, which they have not had in 12 years. They won the election fair and square. But, Mr. Speaker, the more things change, the more they stay the same.

I have the pleasure and honor of serving on the House Budget Committee, and just this last week the Democrats voted out their budget that has the single largest tax increase in American history in it. Now, Mr. Speaker, the last time that the Democrats had control of the House, guess what they did, they passed the single largest tax increase in American history. Again, the more things change, the more they stay the same. The single largest tax increase in American history. Mr. Speaker, people have to know what this is going to mean to them.

I have the honor and privilege of representing people in the Fifth District of Texas. It starts out in the city of Dallas, takes in the southeast Dallas County suburbs, and six really great east Texas counties full of small business people and agricultural producers. For the people in the State of Texas, for the people in the Fifth District of Texas, that is going to mean an additional tax burden for the average family of four of \$2,700 a year. That is \$2,700 a year, Mr. Speaker, that could have gone into funding the family budget that is instead going to go into funding the Federal budget. And every time, every time that we increase that Federal budget, we are taking money away from some valuable family budget.

Now, we are always going to hear from our colleagues on the other side of the aisle, the Democrats, that these vital investments are needed for housing programs and for nutritional programs and health care programs. And certainly we need a social safety net. But, Mr. Speaker, this isn't really a debate about how much we spend on these vital programs. The real question is, who is going to do the spending? Democrats believe government should do the spending. We believe that families should do the spending. And when it comes to my constituents in the State of Texas, they need that \$2,700. They need that \$2,700 to help send a child to college, to help finance higher education. They need that \$2,700 to

make a down payment on their first home and help realize the great American Dream for their family. They need that \$2,700 a year to help with long-term care for an elderly parent. I mean, these are the priorities of American families.

Where do we believe that somehow we have all this perfect knowledge in Washington, D.C.? I mean, Mr. Speaker, how much is enough? The single largest tax increase in American history is now being proposed by the Democrats, and what is this going to do? What is this going to do to families all across America? Every family in America who is paying attention to this debate ought to go and look at their checkbook, and every night, every week they have to get around that kitchen table and they have to make priorities, something that Congress isn't particularly good at, and they have to decide how they are going to meet their bills.

And yet here is the Democrat majority saying, well, we need an extra \$2,700 a year from your family because we know better than you do about the health care you need and the education you need. You can't handle that yourself. We need to do it for you.

That is just one difference, one difference that we have. Because in the Republican budget, we know the American people work hard for their money. We know they roll up their sleeves and work hard to put food on the table to feed their family, to put a roof over their family's head.

There is no tax increase on the poor beleaguered taxpayer, no tax increase on American families, no tax increase on small businesses in the Republican budget. But what do you find in the Democrat budget? The single largest tax increase in American history.

Now, Mr. Speaker, I have been joined by a number of my colleagues tonight who know a lot about what this Democrat budget would mean to their constituents and would mean to their people back home. I am very happy that we are joined by the gentlewoman from North Carolina (Ms. FOXX), and I would like to yield to her to get her perspective on this single largest tax increase in American history.

Ms. FOXX. I thank you, Congressman HENSARLING. And I want to thank you for setting the stage for this discussion tonight. As you said, it is the beginning of many times when we need to be bringing this issue up. I also want to thank you for your leadership of the Republican Study Committee, our party group of conservatives that raises issues every day here on the floor and in committee meetings on the things that the American people believe in and that we fight for every day.

Let me reiterate some of what you said and then add some points about North Carolina and raise some other issues that you have not yet gotten to.

As you said, under the assumptions in this proposed budget, we will see the

largest tax increase in our Nation's history. And I think we need to keep saying that over and over and over again. The Democrat budget increases taxes by \$392.5 billion over 5 years, shattering their last record tax increase of \$240 billion in 1993. In fact, they would raise taxes, increase taxes by \$231 billion in 2012 alone. But the hits just keep coming; and as you pointed out, it is the same playbook that they used in 2003 all over again.

It is more than just a reckless policy that endangers the strength of our economy; it is a cause for serious concern for the livelihood of the constituents of the Fifth District in North Carolina and, in fact, people all over North Carolina. We would see in North Carolina more than 3 million taxpayers whose bills would go up. And it wouldn't be just a little bump, either. The average tax increase for the 3.1 million North Carolinians would be \$2,671. That is a lot of money.

This stark reality underscores the truth of my Democrat colleagues' approach to the Federal budget. They know that the more money they can get out of Americans' pockets, the more money they can spend to expand the Federal Government. That is not what we need. This approach is completely backwards. We should be looking first to put money back into taxpayers' pockets, not taking it out.

Furthermore, this current budget proposal is a squandered opportunity to reform spiraling Social Security, Medicare, and Medicaid costs and to give Americans the permanent tax relief they deserve. Instead, it allows widespread tax increase that hit middle-income families, low-income earners, families with children, small businesses, and others.

Some people would see more than a 100 percent increase in their taxes. For example, an elderly couple with \$40,000 in income would see a tax increase of 156 percent in 2011, from \$583 to \$1,489. And a family of four with \$60,000 in income would have a tax bill that would rise from \$3,030 to \$4,893 in 2011, an increase of more than \$1,850, or 61 percent.

And these increases are no accident. The Democrats were warned. During budget markup I know that my colleagues introduced many amendments which were all rejected, and these would have prevented the tax increases. But they would not listen.

But the budget proposal again isn't a real surprise. It is business as usual for the Democrats and proves that their promises to be fiscally responsible are just empty rhetoric. If this budget is approved, it will signal a return to the Democrats' beloved tax and spend model for government.

If you take a look also at the more than \$20 billion in pork that was added to last week's troop emergency funding bill, it becomes crystal clear where the Democrats stand on spending. And, worse, they prove they don't mind using our troops as bargaining chips.

Democrats have willfully abandoned their pledge of fiscal responsibility. We have talked about it before. They are being very hypocritical in terms of what they promised and what they have done. They pledged to follow pay-as-you-go spending rules and spending restraint to curb the deficit. And then we get this budget which would give us again the largest tax increase in the history of this country and ignore the larger consequences for our economy.

These tax increase are going to threaten to reverse the substantial deficit reduction that has occurred in the past several years. We have increased tax revenue from 16.5 percent of GDP in 2003 to 18.5 percent this year, exceeding the average percentage of the past 4 decades. This is a result of those tax cuts that we passed. Tax revenue grew by 14.6 percent in 2005, 11.5 percent in 2006, and already 9.3 percent in the first 5 months of fiscal 2007. This revenue growth was the principle factor in reducing the budget deficit from \$412.7 billion in 2004 to an estimated \$214 billion this year, according to the Congressional Budget Office.

Let me give just a couple more examples of again how people are directly going to be affected by this tax increase and to show the hypocrisy of the Democrats who say all the time that they are trying to help low-income and middle-income people. It will raise the 10 percent tax rate bracket to 15 percent. This will give a tax increase to 5 million individuals and families who don't pay taxes now but would become subject to the individual income tax in 2011 if the Democrats are successful in raising the 10 percent tax bracket to 15 percent. It eliminates the marriage penalty relief that we have had; 23 million taxpayers would see their taxes increase on average by \$466. It cuts the child tax credit in half; 31 million taxpayers would see their taxes increase on average by \$859 in 2011.

Every working American would be affected by the Democrats' tax hike. We have to bring this message to the American public and show them why the Republicans are fighting so hard against this budget that is going to be brought up by the Democrats.

And, again, Congressman HENSARLING, I applaud your efforts through the RSC and through the Budget Committee for helping us put together this Special Order and giving these facts about the largest single tax increase in American history being proposed by the Democrats.

Mr. HENSARLING. I thank the gentlewoman for her leadership in this body on issues that are important to taxpayers of America and taxpayers of North Carolina.

Again, Mr. Speaker, we are very privileged tonight to have Republican members of the House Budget Committee and members of the Republican Study Committee, the conservative caucus within Congress, Congress' largest caucus, made up of people who want to further the conservative cause of

more freedom and more opportunity and limited government and accountable government, and people who understand that every time we inflate the Federal budget we are taking money away from the family budget.

Again, this single largest tax increase in history that the Democrats are proposing may fuel their vision of Big Government, but it doesn't do much to help fuel the budgets of families throughout our Nation, including some families in the State of Nebraska.

And I am very happy that we have been joined by one of the outstanding freshmen Members within our GOP ranks. At this time I would yield to the gentleman from Nebraska (Mr. SMITH).

Mr. SMITH of Nebraska. I thank the gentleman from Texas (Mr. HENSARLING). It is good to be here this evening as we discuss, I believe, an important aspect of our future.

Later this week we will begin debating the majority party's budget resolution. It promises to balance the budget by 2012 without raising taxes and with significant increases in both discretionary and mandatory spending. Basic math tells me this is impossible.

The majority party's budget assumes the expiration of all of the 2001 and 2003 tax cuts by adding those revenues into the budget over time to bring it into balance. Chasing higher spending with higher taxes, Mr. Speaker, will fail to address the unsustainable growth of government and will undo everything our economy has accomplished.

□ 2200

Even as our Nation faced tremendous challenges over the past few years, the strategy of economic growth through tax relief has delivered significant deficit reductions, including job growth.

If we are to raise taxes to balance the budget, entitlements would quickly drive us right back into the deficit, just at a higher level of taxing and spending.

With the retirement of the massive baby-boom generation looming, this situation will grow more serious, not less so. Most importantly, however, from an agricultural point of view, the majority party's budget promises more than \$110 billion in increased mandatory spending in selected issue areas. They address this by creating 10 so-called reserve funds for specific items like health care, education and the farm bill. Agriculture gets a \$20 billion "reserve" fund to be released at the discretion of the Budget Committee chairman. Sounds like a good deal, well, until you read the details.

This farm bill reserve fund can only be made available if the farm bill would not increase the deficit or decrease the surplus through 2017. In other words, to get the \$20 billion, it must be offset by spending cuts or tax increases. This is either a shell game to give the impression of increased funding with no substance, or it is part of a larger plan leading to tax hikes, and I believe it is a part of a larger plan that

would lead to the largest tax increase in American history.

It is interesting to note that in Nebraska this tax hike would cost the average Nebraskan, with over 656,000 taxpayers in Nebraska, an average of over \$2,800 per taxpayer. My friends in Wyoming, almost \$3,200 per taxpayer. My neighbors in Colorado over \$3,000; Kansas, almost \$2,900; South Dakota, almost \$2,600 per taxpayer.

What concerns me the most, Mr. Speaker, is that sitting through several long hearings in the Budget Committee because it is certainly an important topic, we heard from the experts, and I would say the experts of the experts, who gave us clear warnings that we must reform entitlements.

The Federal Reserve Chairman, Mr. Bernanke, in the Budget Committee on February 28, 2007, said, "Without early and meaningful action to address the rapid growth of entitlements, the U.S. economy could be seriously weakened, with future generations bearing much of the cost."

The Comptroller General, Mr. David Walker, also in a Budget Committee hearing, on January 23 stated, "Health care is the number one fiscal challenge for the Federal and State governments. It is the number one competitiveness challenge for American business, and it is a growing challenge for American families. If there is one thing that can bankrupt America, it is health care. We need dramatic and fundamental reforms."

Mr. Walker went on to say on "60 Minutes" that the rising cost of government entitlements are a fiscal cancer that threatens catastrophic consequences for our country and could bankrupt America.

Even the Democrat chairman of the Senate Budget Committee has acknowledged, "It is always easier to defer, to kick the can down the road to avoid making choices."

Mr. Speaker, I rise with great concern about our future. I am concerned that when it comes to fiscal policies we have ignored the past, we haven't learned our lessons, and that we expect spending into prosperity, taxing into prosperity, and there is a law of diminishing returns. We know that is not a sustainable situation, and we have to practice fiscal responsibility because what concerns me the most is that the more we delay the decision, the tougher the decision becomes.

I know as we look at this budget and the revenues it necessitates are not sustainable with those policies. I rise out of great concern and look forward to a good, hearty debate as we address these issues that are so important to middle-class America.

Mr. HENSARLING. I thank the gentleman for his contribution. I thank him for his leadership within the freshman class.

Again, Mr. Speaker, people need to know that once a year we come together and as a Nation debate what the Federal budget ought to be. There are

clearly those who think that the American people are undertaxed, and I suppose that is why the Democrats have proposed the largest single tax increase in American history.

But talking to working mothers in the Fifth Congressional District of Texas, talking to small business people and talking to farmers and ranchers, they don't seem to think that they are undertaxed. They think that Washington spends too much. But, instead, the Democrat response is almost \$400 billion of tax increase. Nationwide, that is about \$2,400, \$2,500 per family of four that is going to be taken out of the family budget and put into the Federal budget if they succeed in their largest single tax increase in American history.

They are going to eliminate the marriage penalty relief. They are going to bring back the marriage penalty so people who fall in love and get married have to pay more taxes than if the two were single.

They are going to cut the child tax credit in half. They are going to cut it in half as working families and working mothers all over America are struggling to meet the needs of their children and of child care.

And for the working poor, this one is so hard to believe, but for the working poor in the 10 percent bracket, they are going to raise their taxes 50 percent. Fifty percent, Mr. Speaker, on the working poor and take them back to the 15 percent bracket.

Where does it all end?

I myself hail from the Lone Star State of Texas. We are what is known as a sales tax State. We do not have a State income tax. We are very blessed that we do not have one. Yet there has been this inequity in the Tax Code that allows taxpayers who come from a State income tax State to deduct their taxes, but for those of us from a sales tax State, we don't have that benefit.

Well, the Republicans knew that was not equitable, and we passed tax relief so all Americans would enjoy tax relief, whether or not they are from a sales tax State or a State income tax State. Now under the Democrats' plan, under the single largest tax increase in America's history, they are going to bring back the penalty if you happen to hail from one of these sales tax States.

Mr. Speaker, I am very happy that we are joined tonight by another Member who comes from one of those sales tax States, one of the great leaders of the Republican Study Committee, one of the co-authors of the American Taxpayer Bill of Rights. At this time I yield to the gentlewoman from Tennessee (Mrs. BLACKBURN).

Mrs. BLACKBURN. I thank you so much. I am really appreciative that you have mentioned sales tax deductibility. As the gentleman from Texas knows, that is something that I worked feverishly and diligently to have passed when I came to this body in 2003, restoring that deductibility of sales tax to our Federal income tax filing for

those of us who live in non-State income tax States.

Now whether you are from Washington State or from Nevada or from Texas or from Florida or Tennessee, my home State, you have been able to enjoy a sizable deduction. Our colleagues on the other side of the aisle, the Democrats, are willing to do away with that as they go about passing the largest tax increase in American history, the single largest tax increase in American history. They are going to do it all in one bill and all with one fell swoop.

You know, as I have listened to the debate on both sides of the aisle gathering around this budget, it has reminded me of something that we have talked about on this floor before, Mr. Speaker, and it is that the budget should reflect the priorities of the people of this great Nation, not the priorities of government.

Mr. Speaker, what we have right before us is a classic liberal elite bureaucratic document. It is all about growing the bureaucracy. It is about power to Washington, D.C., and not power to the people in our districts. It is clear as day. I am really kind of glad that the Democrats have brought this budget forward. It defines so clearly the priorities of our parties.

□ 2210

Are you for the bureaucracy or are you for the people? Are you for tax relief or are you for tax increases? Are you for middle class, hardworking Americans or are you for the liberal elites? Are you for those liberal elites that want to tell you they are smarter than you and they ought to be telling you exactly how to spend your money or are you for the taxpayers that are right now sitting at home at their kitchen table trying to figure out how much they owe the IRS and they are looking at the end of the month coming up and they have more month left over than they have money left in that checking account and it is because they know the government never gets enough of the taxpayers' money?

Mr. Speaker, my constituents know this Federal Government does not have a revenue problem. This Federal Government has a spending problem, and our colleagues across the aisle would be well-served to learn that lesson.

Whether you go back to the New Deal or the Great Society, all these programs that have been put in place and have to be grown and have to be fed, government never gets enough of your money because of this.

Now, in Tennessee, because of all the bookkeeping gimmicks of the Democrats, and they ran on one set of priorities but now they are governing like what they are, the liberal elites, and it is going to cost 2.1 million Tennesseans \$2,600 per family. If they want to go vote to raise the taxes on the constituents in their district, have at it. Let them line up and vote to raise the taxes on the people that live in their

districts. But the people in my district in Tennessee do not want to pay more in either State or Federal taxes. They want to see their taxes reduced. They want to see the size of government shrink, and they want to see better fiscal management and responsibility of the resources that the government has.

I thank the gentleman from Texas for yielding. I look forward to continuing this debate. I look forward to working hard to defeat the Democrats' tax increase which is the single largest tax increase in American history.

Mr. HENSARLING. Mr. Speaker, I thank the gentlewoman for bringing to the floor very important aspects of this debate.

Again, Mr. Speaker, I just do not know how anybody can justify this single largest tax increase in American history, almost \$400 billion of taxes that are going to get imposed on American families. In Texas, it is going to be taking away \$2,700 on average from every family of four. I mean, that is impacting real families in Texas. It is taking away from their family budget.

Mr. Speaker, I recently contacted my constituents and I asked them if the Democrats are successful with their plan to put forth the single largest tax increase in American history, what is it going to mean to you?

Well, I heard from Diana in Mesquite, and she said: Congressman, I wanted to let you know that I am a single mom that does not receive any type of child support, and an increase of this amount would break me. I would be at risk of losing my home with this type of increase. I am writing to ask your help to keep this from happening. This would be devastating to middle-income families and families in my situation.

Again, Mr. Speaker, every time you plus-up, you increase the Federal budget, you are taking away from the family budget. You are taking away from Diana's budget in Mesquite, as she works to try to keep her home.

I heard from Brian who came from Dallas, and I asked him, and he said: Congressman HENSARLING, the loss of \$2,700 would affect our ability to pay tuition and books for our daughter to go to college. While she is a junior this year, we are trying to save money for her education, and as the cost of education increases each year, the loss of these funds due to an increase in taxes will have a negative impact on our plans for her education.

Again, what the Democrats are doing with their single largest tax increase in American history is they are getting the family budget. They are making it more difficult. They are making it more difficult for Brian to be able to send his daughter to college. There is no fairness in this. There is no compassion in this.

I have heard from many other constituents and the Democrats have to realize once again how devastating this is to American families. It is not their money, Mr. Speaker. They did not earn it. It belongs to the American people.

It is their money. They need to use it for their education program.

I think it is again important to point out that if the Democrats are successful in their plan to engage in the single largest tax increase in American history, it is going to take away from American families their ability to send their children to college. It is going to take away from their ability to purchase their first homes. It is going to devastate the family budget so that Democrats can bulk up on the Federal budget. This is not fair, Mr. Speaker. This is not right.

Another gentleman who has been a great leader within our conference and a great leader in the Budget Committee and somebody who represents the people of south Alabama very well in this institution, who knows about the devastating impact that this Democrat budget could have on family budgets, is the gentleman from Alabama, and I would be happy to yield to Mr. BONNER.

Mr. BONNER. Mr. Speaker, I thank the gentleman, and I thank the Speaker for allowing this Special Order to proceed.

I thank Jeff for organizing this. This is important for the American people in Texas and California and Alabama and all over this great country to understand what the Democratic majority is doing this week by unveiling their budget, and a budget that we will have to vote on.

As my friend from Texas will appreciate and certainly as the majority of my constituents back home in south Alabama know, I do not often come to the House floor every time there is an open microphone just to offer my view on whatever the topic of the day happens to be. Instead, I remember the words of my father who although I was only 13 when he passed away, he told my brother, Jim, my sister, Judy, and me that you learn a lot more from listening than you do from talking.

So usually I prefer to sit in the back of the chamber, this building, this awesome chamber that we are so privileged to serve in, and listen to the give-and-take, the back-and-forth of the debates that have helped to define our time.

Sadly, however, on this particular evening, I feel moved to come off that back bench so as to speak up and to voice my real concern and, quite frankly, my real disappointment that now that they are back in power after 12 years of being out, our friends on the other side of the aisle have chosen with their budget to revert back to their old familiar habits.

□ 2220

Because when all is said and done, that is what this budget will do. In a single sweep, in the snap of a finger, this Democratic budget will give to the American people the single largest tax increase in American history.

If all of that sounds familiar to you, then perhaps there's a reason for that. You see, the last time the Democrats

were in control of Congress, they, too, gave the American people what was, at that time, the largest single tax increase in American history. Of course, that was back in 1993, when they had the help of President Bill Clinton to sign the bill into law. Fortunately, at least for the time being, President Bush has a veto pen that hopefully will keep these tax increases from becoming a reality.

But one thing is for certain. It didn't take the Democrats long, just 77 days from the time they took over the majority on January 4 of this year, to roll out their plan to raise taxes, yet once again on the backs of hard working Americans.

Now, Mr. and Mrs. Middle-Class American Taxpayer, I know some of you may be sitting at home tonight working on your own taxes. In fact, I called a constituent of mine in Mobile just last night, and that is what he told me he was doing, working on his tax returns for 2006. After all, April 15 is just 19 days away. So this topic of raising taxes on America's families couldn't be more timely.

Congressman HENSARLING, I don't know about you, but I don't recall a single time in any of my years of being in Congress, either as an elected Member or in the 18 years that I worked for my predecessor, Congressman Sonny Callahan, I don't recall a single time where a constituent came up to me, not at a town meeting, not at a Rotary Club, Lion's Club, Kiwanis Club or the like, and somebody came up to me and said, Jo, old buddy, you know the Federal Government needs more money. Why don't you just take some of mine?

Nor have I had anyone come up and say, Congressman, there is not an ounce of waste in the Federal Government. Washington, DC, is a lean, well-oiled machine. You all could use a little bit more of my money. Here, take whatever you need.

Correct me if I am wrong, but I doubt the gentleman from the Fifth District of Texas has ever heard any of his constituents make the statement to him.

Mr. HENSARLING. We should obviously inform our Democrat colleagues that last I looked, the IRS takes voluntary contributions. So if they don't believe their taxes are high enough, if they don't believe the taxes of their constituents are high enough, they can simply add a zero to that line on the 1040 and send in more. They somehow act that there is a revenue deficiency in Washington, DC.

I don't know how much government spending is enough, but just looking over about the last 10 years, I see where the agricultural budget has increased 126 percent, the Federal transportation budget, 97 percent, the education budget, 75 percent, Medicare has increased 137 percent, all at the same time where the family budget has increased about 36 percent. The Federal budget is outpacing the family budget by 3 to 1, 4 to 1. That cannot continue.

So, again, we come back to the basic question. Is Washington spending too

much, or are the American people undertaxed? I think the gentleman from Alabama has hit the nail on the head.

Mr. BONNER. I thank the gentleman, and I know that he has done the math for his constituents in the Dallas area of Texas. I have done the math for people of south Alabama as well; and, if enacted, what the budget will mean to the average Alabama household is not good news. In fact, I hate to be the bearer of bad news, but there are approximately 4.4 million people who are proud to call Alabama their home. If this tax increase is enacted, it will mean that the average tax-paying Alabama household will owe another \$2,500, \$2,500. Friends, that is a lot of money to most folks back in my district in Alabama and I think in every district in America.

But if they have to write an additional check for \$2,500 more to Uncle Sam, if this Democrat budget is enacted, then that likely means no braces for the kids. It means that you won't be able to set aside money this year for your children going off to college, and it certainly will mean there will be no family vacation.

Sadly, the Democratic majority must think either the Federal Government can spend the American people's hard-earned tax dollars better than they can, or that the Federal Government simply shouldn't be asked to make a sacrifice when there are so many worthy programs yet to fund. Either way, the Democratic majority is making quite a statement this week, a statement that I hope the American people will listen closely to as this debate unfolds.

You see, as my friend, Mr. HENSARLING from Texas, knows all too well, as do my other Republican colleagues on the House Budget Committee, last week when the Democrats passed this budget out of committee, they had an opportunity some 32 different times, I have got the amendments in my hand, to accept some reasonable tax relief for the American people by putting into writing their commitment to not raise taxes.

Now, in fairness, JEB, you will recall many of our Democratic colleagues on the committee, they were quick to say, well, wait a minute, we don't want to raise taxes, well, not all of them, at least not now.

But actions speak louder than words. Their actions, unfortunately, speak much louder than the lack of their words in that document. This is nothing short of the single largest tax increase on the American people. Quite frankly, it's a sad day for the American taxpayer.

Time after time, House Republicans on the Budget Committee tried to amend this budget with commonsense amendments that are overwhelmingly supported by the majority of the American people, amendments such as the one that our colleague, Congressman JON PORTER of Nevada, offered to pre-

vent a tax increase on middle-income families with children. That went down on a party line vote by the Democratic majority.

The amendment by our friend, Congressman MARIO DIAZ-BALART of Florida, who offered to prevent an increase of the onerous and, I think, the most unAmerican of all taxes, the death tax that, if the Democratic majority doesn't do anything, will go back to 55 percent in just 4 short years. That amendment also went down on a party line vote by the Democratic majority.

Congressman HENSARLING, you remember your amendment, you had many, but this one in particular, JEB, to dedicate funding to protect America's veterans. Did it pass?

Mr. HENSARLING. No, it went down again on a straight party line vote. It was a very simple amendment. Budgets are about priorities. At a time our Nation is fighting this war on terror, it was a very simple amendment. It said, you know what? Whatever figure we decide is the right figure for veterans' funding, and I know you can never give enough, but whatever it is, let's make sure we put a floor under it. Let's give it a firewall. Because too often what we find out in what we call the appropriations process up here, sometimes these funds get raided for other purposes, just like Congress has too many times raided the Social Security fund.

So this was a simple amendment that said we are going to put a firewall around veterans' spending, and the number that we put in the budget is sacrosanct. Every single Democrat on the Budget Committee voted against that amendment. They voted against veterans. It was not a proud day for the institution.

Mr. BONNER. Congressman HENSARLING, I know there are others here tonight who want to speak out against this single largest tax increase of American history. I don't want to be accused of hogging microphone.

But, instead, I would like to close for my part by asking the American taxpayer a very simple question. Time after time our Democrat colleagues have come to this floor over the past few months and said the American people voted for change on November 7. It was all about change. Well, if this Democratic budget passes and if our taxes go up, and they most certainly will, then that is about all the American people are going to have left after these tax increases go up, is a little change. Is that really the message you were sending on November 7 of last year?

JEB, you have two beautiful children, Claire and Travis. Janee and I have two beautiful children back home in Mobile, Alabama. I hope they are all asleep right now, Lee and Robbins. This is really about the future of our children and grandchildren. There are a lot of good Democrats and a lot of good Republicans who have children and grandchildren who are concerned about them. This Democratic tax increase

and this Democratic budget is nothing about the children. Unfortunately, it's about the government.

I thank the gentleman for this special order, and I appreciate his leadership on fiscal responsibility.

□ 2230

Mr. HENSARLING. I thank the gentleman for his contribution this evening. I thank him for his leadership on the Budget Committee. And he has brought up a very important point, Mr. Speaker, that we have yet to talk about this evening, and that is, as the Democrats offer up their single largest tax increase in American history, that is like the appetizer. That is the appetizer.

As the gentleman from Alabama talked about his family, and he has a wonderful family, and we all think about our children and our grandchildren, but do we really think enough about them? Because let me tell you, the single largest tax increase in history is just the start. The Comptroller General, the Chief Fiduciary Officer of the Federal Government has said that if we don't begin to reform entitlement spending, this spending explosion in Washington, unless, as a society, we find a better way, a smarter way to deliver health care and retirement security at a more reasonable cost, we are going to be on a path to double taxes, double taxes on our children and grandchildren in just one generation. And that is why I say, the single largest tax increase in American history, that is just the appetizer. The entree is, because the Democrats have no reforms, no reforms of entitlement spending in their budget whatsoever, which is the single largest fiscal challenge we face, according to the Congressional Budget Office, the Office of Management and Budget, the Federal Reserve Chairman, the Secretary of Treasury, anybody who is responsible for fiscal or monetary policy in America, the Democrat budget is silent on it. They are putting us on a path to double taxes on our children. And the Comptroller General, and I paraphrase, has said, we are on the verge of being the first generation in American history to leave the next generation with a lower standard of living.

And as the father of a 5-year-old and a 3-year-old, I will not stand idly by and let that happen. I will raise my voice about this single largest tax increase in American history.

Mr. Speaker, we are joined by another great freshman member of the Republican Party who has been outspoken on these budget issues and somebody else who hasn't lost his ability to be outraged on how this will impact, the single largest tax increase in American history will impact the people in his district. And I am happy now to yield to the gentleman from Ohio (Mr. JORDAN).

Mr. JORDAN of Ohio. I thank the gentleman from Texas, and I thank him for his work with the Republican

Study Committee. His leadership there is just so valuable.

Mr. Speaker, let me just make a couple of points about this tax increase that has been talked about this last hour, this largest tax increase in the history of the United States of America, why it is such bad policy for our country. And I want to just focus, as I said, on two points.

First of all, I think it's important to recognize how the competition is stiffer today. And what I mean by that is this changing dynamic that we see in the world market. There was a point maybe in the past where elected officials, where politicians could afford to make poor decisions, poor policy decisions and because America's economy was so far ahead of the rest of the world, we could succeed in spite of the bad policies that were enacted. But the facts today are such that it is important we get it right and we not put additional burdens on families, on taxpayers, and on our economy if we are going to compete in this world market.

Just a couple of facts. Think about this: China has 1.4 billion people. The country of India has 800 million people. The United States of America, we just hit a population of 300 million last summer. So, again, two countries, over two million people that we are competing against. China's economy is growing at about 10 percent. India's is growing at about 7½ percent. If we are going to compete against those emerging countries who are moving towards middle class, if we are going to compete, we have got to have the right kind of policies in place. Tax increases are not the right kind of policies on our families, on our business owners, on our American economy. It is important we recognize that.

I have related this story to the Chair of the Republican Study Committee before, but I think it captures just how important it is to understand the dynamic that we find ourselves in in this point in history.

We have a constituent who has been very successful in manufacturing. And he wanted to, a few years ago, sit down with our United States Senator and talk about this dynamic that is taking place in the world market. And so we helped put together a meeting, and he sat down with our United States Senator around the conference table. He took one of the pieces, the piece that they make in their manufacturing plants and he had taped to that piece, he had two pennies taped to it. And he slid that piece across the table to our U.S. Senator and he said, Senator, those two pennies taped to that piece, those represent, those two pennies represent our labor costs in that piece. He said, competing with China. He said China and India aren't beating us on labor costs. What makes it tougher, he said, we are so efficient. Our systems, our processes are so good we feel like we can compete with anybody in the world. What makes it tough for us to compete is the stuff you politicians do,

and he pointed right to our Senator. He said it is the tax increases, it is the regulation, it is the litigation, it is those sorts of things in our economy, in our policy that make it tough for us to compete.

We have got to recognize that when we are competing in this world market today, it is important we get it right, because, again the competition is so stiff.

And then of course the other reason that has been talked about very eloquently, I think, this evening, why it is bad policy to raise taxes. It is not just because it is bad for the economy. It is not just because we have all this focus when we are dealing with the budget where we talk about budgets and numbers and revenues and projections. It is bad because it is about people. It is about families. And when you think about what really makes our country strong, what has allowed the United States of America to be the most prosperous Nation in history, it is the fact that we have that key institution that has been so strong, that family institution. And really, I believe what makes America so great, it is this idea, and the chairman was just alluding to this, it is this idea that moms and dads are willing to sacrifice so that their kids can have life a little better than they did. And then that next generation, as they grow up, they do the same thing for their kids and their grandkids, and it continues. And it has been that cycle that has allowed America to prosper.

If we are going to take an additional \$2,500 per family away from them, away from their checkbook, away from their pocketbook, away from their goals, their dreams, the things they want to spend it on, we are making it tougher for that American Dream to continue. We are making it tougher on the families, that key institution in our culture. And that is why this budget, this \$392 billion tax increase is wrong for our country when we think about competing in the world market, and it is wrong for families who make this country so great in the first place.

And with that I would yield back to the chairman of the RSC and thank him for his work here this evening and for his continued work for families across this country.

Mr. HENSARLING. I thank the gentleman from Ohio for joining us this evening, for this debate about the very important budget that will be introduced and debated on this floor tomorrow, Mr. Speaker.

Another aspect of this debate that is important to note, and I am sure we will hear from our friends on the other side of the aisle, the Democrats, how tax relief over the last several years has somehow been a bad thing for America.

I might note, Mr. Speaker, that as we have given small businesses and America's families tax relief, guess what we have? We have more tax revenue. And, in fact, Mr. Speaker, we have more tax revenue than we have ever had in the

history of America. We are awash in tax revenue. Why? Because if you let the American people keep more of what they earn, they will save, they will invest, they will work hard. They will expand the automobile transmission shop on one street corner. They will go out and start a barbecue stand on another street corner. It is called entrepreneurial vision. People go out and roll up their sleeves and work hard, and that is what they have done.

And not only, Mr. Speaker, are we awash in tax revenue. In this case, tax relief has proven to be part of the deficit solution. We also have new jobs. Since we have had tax relief, we have created 7½ million new jobs in America. 7½ million new jobs. The greatest health care program, the greatest nutritional program, the greatest housing program in the history of America is the American free enterprise system and the jobs that it creates.

But, Mr. Speaker, if the Democrats go through with their program to have the single largest tax increase in American history, you start taking the jobs away. And somehow they call it compassion when they hand you a government check and they take away your paycheck, because when they increase taxes on American families and they increase taxes on small businesses, they take away our jobs. They take away our careers. They take away our futures. There is nothing fair about that, Mr. Speaker. There is nothing compassionate about that.

The Republican budget will ensure that hardworking American families are not burdened with further tax increases. The Republican budget will make sure that the next generation enjoys greater freedom and greater opportunity, and that vital programs like Medicare, Medicaid and Social Security that are going broke, that we reform them and modernize them and that we can save them for the next generation.

The Democrat budget is absolutely silent, absolutely silent on the number one fiscal challenge to the next generation.

□ 2240

They present a budget for the next election, Mr. Speaker. We are presenting a budget for the next generation.

So I hope, Mr. Speaker, that the American people will follow this very important debate closely, because there are two different visions. One believes in the family budget; one believes in the Federal budget. One believes in American families keeping more of what they earn; the other believes in the single largest tax increase in American history. And it is not too late for us to vote for the family budget and against the single largest tax increase in American history.

REPORT ON RESOLUTION PROVIDING FOR CONSIDERATION OF H.R. 1538, WOUNDED WARRIOR ASSISTANCE ACT OF 2007

Ms. SUTTON (during the Special Order of Mr. HENSARLING), from the Committee on Rules, submitted a privileged report (Rept. No. 110-78) on the resolution (H. Res. 274) providing for consideration of the bill (H.R. 1538) to amend title 10, United States Code, to improve the management of medical care, personnel actions, and quality of life issues for members of the Armed Forces who are receiving medical care in an outpatient status, and for other purposes, which was referred to the House Calendar and ordered to be printed.

REPORT ON RESOLUTION PROVIDING FOR CONSIDERATION OF H. CON. RES. 99, CONCURRENT RESOLUTION ON THE BUDGET FOR FISCAL YEAR 2008

Ms. SUTTON (during the Special Order of Mr. HENSARLING), from the Committee on Rules, submitted a privileged report (Rept. No. 110-79) on the resolution (H. Res. 275) providing for consideration of the concurrent resolution (H. Con. Res. 99) revising the congressional budget for the United States Government for fiscal year 2007, establishing the congressional budget for the United States Government for fiscal year 2008, and setting forth appropriate budgetary levels for fiscal years 2009 through 2012, which was referred to the House Calendar and ordered to be printed.

THE BLUE DOG COALITION: THE NATIONAL DEBT

The SPEAKER pro tempore (Mr. CARNEY). Under the Speaker's announced policy of January 18, 2007, the gentleman from Arkansas (Mr. ROSS) is recognized for 60 minutes as the designee of the majority leader.

Mr. ROSS. Mr. Speaker, this evening, I rise on behalf of the 43-member-strong, fiscally conservative Democratic Blue Dog Coalition.

Mr. Speaker, I don't know about you, but I believe the American people like me are sick and tired of all the partisan bickering that goes on at our Nation's capital. I can tell you that I don't care if it is the Democratic or Republican idea. I ask myself is it a commonsense idea and does it make sense for the people in Arkansas' Fourth Congressional District? Then I vote accordingly.

What we have witnessed on this floor this evening is a lot of talk, and I think it is time that we speak to the facts, the facts about the state of our Nation and how we get out of this mess that we have seen be created during the past 6 years when the Republicans controlled the White House, the House, and the Senate.

Let's begin by looking here at the Blue Dog Coalition poster. The Blue

Dog Coalition is nothing more than a name for fiscally conservative Democrats. And as you walk the halls of Congress, the Cannon House office building, the Longworth House office building, and the Rayburn House office building, you will occasionally happen upon one of these Blue Dog Coalition posters reminding Members of Congress, reminding those who walk the halls of Congress that today, today, the United States national debt is \$8,841,089,074,666.40.

If you divide that by every man, woman, and child living in America today, every one of us, our share is \$29,326.47. It is what those of us in the fiscally conservative Democratic Blue Dog Coalition call the debt tax, d-e-b-t, and that is one tax that cannot be cut, that will not go away until we get our Nation's fiscal house in order.

This evening, they have been talking about the budget for fiscal year 2008 that will begin October 1. Let's begin by talking about the budget passed by the Republicans for fiscal year 2007.

Mr. Speaker, I have got to tell you that when I came to Washington back in 2001, the first bill I filed as a Member of Congress was a bill to tell the politicians in Washington to keep their hands off the Social Security Trust Fund. That was back when the Republicans controlled the White House, the House, and the Senate. And the Republican national leadership would not give me a hearing or a vote on that bill. Now we know why. Because this year, under the budget that was approved last year by the Republicans for fiscal year 2007, the deficit, the deficit is \$427 billion. That is counting the portion that they are borrowing from the Social Security Trust Fund with absolutely no provision made on how it is going to be paid back, when it is going to be paid back, or where the money is coming from to pay it back.

We hear a lot of talk about the national debt. It doesn't show up much in most public opinion polls. A lot of folks think we can simply print more money. Oh, how I wished it were that simple. The total national debt from 1789 until 2000 was \$5.67 trillion. But, by 2010, the total national debt will have increased to \$10.88 trillion.

I know those are big numbers. They are big numbers to me. But I can tell you this: It is a doubling, it is a doubling of the 211 year debt in just one decade, in just 10 years.

Interest payments on this debt are one of the fastest-growing parts of the Federal budget, and the debt tax, d-e-b-t, is the one tax that cannot be repealed. And every man, woman, and child in America, our share is \$29,326.47. It would take all of us in America writing a check that large to pay off this debt that has been accumulated as a result of the reckless spending we have seen from this administration and this Republican-led Congress for the past 6 years.

Well, as you can see, the current national debt, \$8,841,089,074,666.40, again,