

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,

every man woman and child in America, our share of the national debt, \$29,326.47.

Why do I raise this issue and why is this issue so important to the 43 members of the fiscally conservative Democratic Blue Dog Coalition? Here is why: Deficits do matter. Deficits reduce economic growth. They burden our children, our grandchildren with liabilities. They increase our reliance on foreign lenders.

In fact, I think it is important, Mr. Speaker, that we look here at the amount of foreign-held debt and the fact that it has more than doubled under the Bush administration. These numbers are in the billions. You can see how much was borrowed from foreigners in 2001, and you can see how much is borrowed from foreigners today. In fact, Mr. Speaker, the U.S. is becoming increasingly dependent on foreign lenders to fund our government. Foreign central banks and foreign investors currently hold a total of about \$2.224 trillion. That is, \$2,224,000,000,000 of our public debt. Compare this to only \$623 billion in foreign holdings in 1993.

Kind of like David Letterman and his Top Ten List, we have a Top Ten List of whom the United States of America has borrowed money from, we are talking foreign central banks and foreign investors, to fund our government. Since 2001, this administration and this Republican-led Congress has continued to pass tax cuts that primarily benefit only those earning over \$400,000 a year. They have done so while America is at war. Never before have we cut taxes when America was at war. In the past wars, we have had a shared sacrifice; and this war the only sacrifice being made is by our men and women, our brave men and women in uniform and their families.

□ 2250

I know this. My brother-in-law is currently stationed in the Middle East in the United States Air Force. This war has affected all of us in one way or another, and I know the kind of toil that takes, not only on him but his family back home at Fairchild Air Force Base in Spokane, Washington. Yet we have seen this administration, this Republican-led Congress, up until January pass tax cut after tax cut that primarily only benefits those earning over \$400,000 a year.

Where is the money coming from? We haven't had a surplus. It has come, first, from raiding the Social Security trust fund. After they have gotten all the money they can suck out of it, they have gone to foreign investors and foreign central banks. Here is the top 10 list.

Japan: Our Nation has borrowed \$637.4 billion from Japan to fund tax cuts for people in this country earning over \$400,000 a year.

China: \$346.5 billion.

The United Kingdom: \$223.5 billion.

OPEC: Now we understand why gasoline was approaching \$3 a gallon last

summer. We have borrowed \$97.1 billion from OPEC to fund tax cuts in America for folks earning over \$400,000 a year.

Korea: \$67.7 billion.

Taiwan: \$63.2 billion. My friend John Tanner, one of the founders of the Blue Dogs, said it best when he said our country is in such a mess that if China does decide to invade Taiwan, we will have to borrow even more money from China to defend Taiwan.

The Caribbean Banking Center: \$63.6 billion.

Hong Kong: \$51 billion.

The United States of America has borrowed \$52.1 billion from Germany to fund our government.

And get a load of this: The United States of America, our country, has borrowed \$38.2 billion from Mexico to help fund tax cuts in this country for folks earning over \$400,000 a year.

Those are the facts, not rhetoric, as we have heard.

Well, the Democrats are now in the majority, and it is now our responsibility to offer up a commonsense budget that puts America's children and families first again. Yes, we are doing it without raising taxes. In fact, we are proposing tax cuts. We are proposing a fix to the Alternative Minimum Tax, which is now eating away at middle-income families all across this country.

I think it is important to note that for the first time in 40 years, and this is not a partisan thing, President Clinton was born and grew up in Hope and Hot Springs Arkansas, two towns I am proud to represent in the United States House of Representatives. I am a 1979 graduate of Hope High School and live some 16 miles up the road from there now in Prescott, Arkansas, which is where Holly and I are raising our children.

But if you think back with me, it was President Clinton who gave us the first balanced budget in this country by a Democrat or a Republican, either one, in about 40 years. You can see that the debt added under President Clinton was \$1.6 trillion. We actually had a balanced budget from 1998 through 2001. Then the debt added under President Bush so far, \$3.9 trillion. This is an accumulation of gross national debt in trillions of dollars, the difference that we have seen.

How did that happen? Well, in the Clinton years, when we had the first balanced budget in about 40 years, one of the ways it happened was by the House of Representatives implementing what is known as the PAYGO rules, which means pay-as-you-go, something that we do at the Ross home in Prescott, Arkansas, something that we do at our small-town family pharmacy that my wife, who is a pharmacist, and I own, and something most families in America and most businesses in America adhere to. Pay-as-you-go.

Yet for the past 6 years, those rules were abolished on the floor of the United States House of Representatives. The PAYGO rules were not in ef-

fect, and we saw the largest deficit after the largest deficit after the largest deficit in the history of this country, which has totaled into the largest debt ever in our Nation's history.

I am real proud of the new Democratic leadership, because the 43 members of the fiscally conservative, Democratic Blue Dog Coalition went to the Democratic leadership and said we are in the middle, and we believe we are where America is and it is important to us that you govern from the middle, and they have.

There was a lot of talk about the first 100 hours, and we did a lot of good things for the American people in the first 100 hours. We did a lot of good things for children, we did a lot of good things for working families, and, yes, a lot of good things for seniors. We cleaned up the mess in Washington by passing ethics reform. We raised the Federal minimum wage for working families. We passed legislation to allow our government to negotiate with the big drug manufacturers to bring down the high cost of medicine for America's seniors. We did a lot of good things in the first 100 hours.

But the most significant thing we did early on, one of the first things we did in the first few hours of the 110th session of Congress, is we adopted PAYGO rules on the floor of the United States House of Representatives, meaning pay-as-you-go.

It means if you have got an idea for a program you want to fund over here, you have to show us how you are going to pay for it. You have to show us what you are going to cut over here.

Now, some Republicans seem to think that means that the way you pay for new programs is raising taxes. We saw the largest deficit ever in our Nation's history, year after year. We saw the largest debt in our Nation's history ever. And we saw all this money that the Republican leadership and this administration was borrowing from foreign central banks and foreign investors to fund tax cuts and to fund programs.

They were so out of touch that they forgot the idea that you could actually cut programs to fund programs, cut programs that don't work to fund programs that do.

You don't have to raise taxes to fund programs. You do away with the programs that do not work. You want to talk about waste? There is all kinds of waste in our Federal Government. I have about \$400 million worth of waste sitting in a cow pasture at the airport in Hope Arkansas.

In 2005, when Hurricane Katrina hit, one the first things FEMA did was order tens of thousands of brand new, fully-furnished mobile homes. They brought many of them, 10,777 at one time, to the airport in Hope, which had these inactive tarmacs and runways that were World War II era, and they thought it was a wonderful place to have a so-called FEMA staging area.

The idea was they were going to come through there on the way to the

Gulf Coast. They all came, but they never went. This was 2005, and these mobile homes never got to the storm victims of Hurricane Katrina. At last count, FEMA has 8,420, 8,420 of these brand new, fully-furnished, not camper trailers, we are talking about mobile homes, 16 foot wide and 60 foot long, just sitting there. Just sitting there.

To try to get them to the homeless on the Gulf Coast, I raised the issue with the Inspector General at FEMA back in late 2005, saying, Mr. Inspector General, Mr. Director of FEMA, Mr. President, if you don't move these mobile homes off this cow pasture, they are going to start sinking and it is going to destroy them. I did that to try to get them off high center and get them to the victims of Hurricane Katrina.

□ 2300

You know what they did? Mr. Speaker, do you know what they did? They showed up. They didn't move them. They showed up with \$7 million. FEMA showed up with \$7 million worth of gravel to put under them. This stuff is so crazy you can't make it up. And they continue to sit there today.

So the Republican leadership needs to understand when we talk about paying for something, when we talk about cutting programs that don't work and use that money to pay for programs that do, we are not talking about raising taxes, we are talking about identifying waste, like the \$400 million, the more than 8,000 brand new, fully furnished mobile homes sitting there in the cow pasture at the airport in Hope, Arkansas.

That was one of the first things that happened on the floor of the House at the Blue Dog's insistence, as this 110th began under the new Democratic majority. And I am proud of this majority for listening to the 43 of us. It was one of our 12 points that I spent the last 2 years on the floor of the House talking about for meaningful budget reform. It was one of the first things implemented on this floor which will help us get back to the days of a balanced budget and a surplus, which is very, very important for a lot of reasons that we will discuss.

Mr. Speaker, I think it is important that we look at the facts. The debt when President Bush took office, \$5.7 trillion, the debt today \$8.8 trillion. The debt added so far under the Bush Administration, \$3.1 trillion, the debt projected at the end of the Bush Presidency is \$9.6 trillion, the total Bush increases to the debt, \$3.9 trillion. Deficits without the Social Security surplus. The OM budget deficit for 2007, \$427 billion. The OM budget deficit for 2008 under the President's budget, \$451 billion, one of the largest deficits ever in our Nation's history.

The cost of debt service. This is why it matters to every man, woman and child in America. The net interest for 2002 was \$170 billion. You can see what's happening here. The net inter-

est for 2008 is projected to be \$261 billion. What does that mean? That means our Nation is spending three-quarters of a billion dollars a day simply paying interest on the national debt before we borrow another billion dollars today. Every day, our Nation starts off owing three-quarters of a billion dollars in interest payments.

Let me tell you why that matters. Because the interest payments on the debt are dwarfing other priorities. The red is the amount of money we are spending of your tax money, Mr. Speaker, paying interest on the national debt.

We talk about our children and how we love them and how we value their education. Look at how much we are investing in education in this country. Again, the red demonstrates the amount of money we are spending in a year paying interest to the national debt, which continues to go up to the tune of about \$1 billion a day. The light blue reflects how much we do, as a Nation, value education. It reflects how much we are spending in a year educating our children.

The green. Oh, we talk about how we support our men and women in uniform on the floor of this House. And I hope every Member that gets up and says that does. You know, money speaks louder than words. Look at our priorities. The green represents the amount of money our Federal Government is spending on veterans, including a new generation of veterans coming back from Iraq and Afghanistan. Look how that compares to the red, the amount of money we are spending simply paying interest on the national debt.

And this new buzz word "homeland security." Oh, we all take our belt off and take our shoes off and go through all that at the airport, and we feel safer. Are we? Look at the purple. Look at how much we are investing in homeland security. Look at how much we are investing as a Nation under the President's budget, all of this is under the President's budget in keeping America safe, and look how all those, education, veterans, homeland security compare to the amount of money our Nation is spending paying interest on the national debt.

I represent a district about half of Arkansas, and about half of that is in the Delta region, one of the poorest regions in the country. We have a lot of hope in that region that someday I-69 will be completed. I-69 is an interstate that was announced in Indianapolis 5 years before I was born. I am 45. With the exception of about 40 miles in Kentucky and a few miles in Tennessee, none of that has been completed south of Indianapolis. Just to complete the Arkansas section that can create economic opportunities and help the Delta region realize an economic revival with will take some \$1.6 billion. That's a lot of money we don't have as a Nation. Why? Because we are spending it paying interest on the national debt, a debt that continues to go up under

these Republican policies and under this administration's budget.

As I said earlier, we are spending three-quarters of a billion dollars a day simply paying interest on the national debt. Give me about 2 days interest on the national debt, Mr. Speaker, and I can build I-69 through Arkansas and create all kinds of jobs and economic opportunities and help this poor Delta region recognize an economic revival.

On the western side of my State, folks have been waiting since I was a small child for the completion of Interstate 49. It, too, can create jobs and economic opportunities and open up the western side of Arkansas and complete the first north-south corridor through the middle of our country. I need \$2 billion to complete I-49 in Arkansas. It's a lot of money, but it's about 3 or 4 days interest on the national debt.

We need new public schools built in this country for our children to be able to receive the very best education possible. We could build about 200 brand new elementary schools every single day in America just for the interest we are spending on the national debt.

My point, Mr. Speaker, is that America's priorities, education, veterans, homeland security, roads, infrastructure, are going to continue to go unmet until this Nation gets its fiscal house in order. That is what the fiscally conservative Democratic Blue Dog Coalition is all about. We are about restoring fiscal discipline and common sense to our government.

This week, the Democrats are going to offer a budget that is fiscally responsible. Our budget adheres to the PAYGO budgeting rules that I talked about earlier and provides a commitment to the compensation of statutory PAYGO requirements. Our legislation, I should say legislation that was passed by the Republican Congress and signed by President Bush, has increased mandatory spending by \$262 billion over the last 5 years. The PAYGO rule, as applied to mandatory spending increases as well as tax cuts, will enforce much greater spending restraint than the Republicans passed over the last 5 years. And I have gone through the details of why in my presentation earlier.

The Democratic budget meets the President's levels of spending for national defense, very important to me and members of the Blue Dog Coalition. We've got to have a strong national defense. Our brave men and women in uniform are doing whatever we ask of them; and as long as they are willing and able to do that, it is our duty and our obligation to provide them the resources that they need to do their job as safely as possible. And it is also our duty and obligation to them to ensure they receive the health care and veterans benefits that they have earned as this new generation of veterans return from Afghanistan and Iraq. And the Democratic budget increases homeland security funding levels.

The Democratic budget reaches balance, a balanced budget by 2012, and provides for greater deficit reduction than the President's budget over 5 years. Total spending in 2012 will be 18.9 percent of GDP, exactly 1 percent lower than it will be this year and lower than it has been in any year since 2001. And, yes, that's Democrats offering that budget, a commonsense budget to restore fiscal discipline to our Nation's government. This is a lot different than how the other side tried to explain it.

Our budget provides accountability. If there is one thing our Nation needs as a government, it is to restore accountability to our government. Defense auditors estimate that more than one of six dollars they have audited for Iraq is suspect, including \$2.7 billion in Halliburton contracts. The Democrat budget assumes substantial savings from more efforts by the Defense Department, with increased congressional oversight, to root out wasteful spending, building on just-passed reform legislation to reduce waste in Federal contracting.

□ 2310

You know, the Constitution of the United States of America gives Congress the duty, the authority to provide oversight; and for the past 6 years this Republican-led Congress has been nothing more than a rubber stamp for whatever this administration wants. That is not what the framers of our Constitution envisioned. I am not suggesting, Mr. Speaker, that we go on a witch hunt or start issuing a lot of subpoenas. But what I am suggesting is that it is time for this Congress to fulfill its constitutional duty and responsibility of providing oversight. And we have started doing that. No more flying into Washington on Tuesday and out on Thursday. You are seeing a new Congress that is cleaning up the mess, that is coming in on Monday and staying to Friday, rolling up their sleeves. And, yes, not just voting on the floor of the House, but meeting in committees and providing the oversight as required by the Constitution of the United States of America.

Also under the Democratic budget, the House committees will conduct performance reviews to make sure that government programs are working, and work to eliminate, yes, the Democratic budget will work to eliminate unnecessary and wasteful spending. Similar efforts saved billions of dollars under the Clinton administration which gave us the first balanced budget by a Democrat or a Republican in some 40 years.

The Congress will save millions of dollars by investing in efforts to identify and eliminate wasteful spending and improve government efficiency. Our budget addresses the permanent AMT reform. You heard the Republicans tonight talking about the Democratic budget is going to raise our taxes. We are not raising anyone's taxes. In fact, our budget calls for a

permanent fix for the alternative minimum tax, commonly known as AMT, to provide tax relief, yes, tax relief, for middle-class families, without increasing the deficit, and reaffirms support for extending middle-income tax cuts consistent with the PAYGO rules, pay-as-you-go.

The Democratic budgets includes a deficit neutral reserve fund that provides the framework necessary for permanent AMT relief for America's middle-income working families. While our plan to permanently reform AMT is a revenue and deficit neutral approach, the President's budget calls for a temporary 1-year fix and contributes to the already out-of-control deficits. Well, providing a permanent fix to the AMT will prevent millions, yes, millions, of hardworking Americans from facing a devastating tax increase this year.

The Democratic budget, our budget, will cut taxes for America's working families. President Bush's failed tax policies have left us with a debt of nearly \$9 trillion. In fact, Mr. Speaker, as you can see here, again I will remind you, today the U.S. national debt: \$8,841,089,074,666.40.

Well, in taking a revenue and deficit neutral approach to reforming the AMT, our budget is taking a measured and responsible approach to cleaning up the fiscal mess in which our Republican predecessors have left us. Over the past 6 years they have done these things, and now we have asked for a chance the clean them up, and we are in the process of doing that.

The Democratic budget meets the needs of veterans. Very important. Our budget meets previously unmet needs for veterans by increasing discretionary funding for the Department of Veterans Affairs from \$36.5 billion to \$43.1 billion. That is a \$6.6 billion increase over fiscal year 2007. That is an 18.1 percent increase over last year, and a \$3.5 billion increase, or 8.9 percent over the administration request for fiscal year 2008. Over the 5-year budget, the Democratic budget resolution includes \$32 billion more to protect the health and well-being of our men and women in uniform than does the administration's request. And, yes, we owe it to our brave men and women in uniform, a new generation of veterans coming home from Iraq and Afghanistan. And, as a Nation, we had better be there for them and provide them the health care and the resources that they need, because they are there for us doing what our Nation is asking of them.

The additional funds will allow the Department of Veterans Affairs to provide excellent health care, keeping up with the high rate of health care inflation, and the continuing increases in new veterans entering the VA system. In fiscal year 2008, Mr. Speaker, the VA will treat 5.8 million patients. Yes, America is at war, and we need to recognize it and we need to properly fund the Veterans Administration to provide the health care and the needs of

our new veterans coming home from Iraq and Afghanistan.

Our budget addresses the Veterans Administration's repair and maintenance backlog in the wake of a VA report that outlines 1,000 specific problems at VA facilities around the country. That is no way to honor our veterans. We have got to fix these 1,000 specific problems that have been outlined by the Veterans Administration, not only at Walter Reed, but all across this country.

Our budget increases efforts to address mental health, post-traumatic stress disorder, and traumatic brain injuries. The Democratic budget also rejects the Bush administration's proposed enrollment fees and near doubling of prescription copayments for America's veterans.

Mr. Speaker, in the last half of this hour I want to visit more about this budget that may very well be on the floor of this House on Thursday. Our budget provides for a strong national defense. Our budget provides for robust defense funding levels while targeting resources on the most pressing security concerns. It increase funding for veterans health care and services by \$5.4 billion above current services. The Democratic budget provides more homeland security funding than the administration and provides funding for the 9/11 Commission recommendations. Yes, we are going to fund the bipartisan 9/11 Commission recommendations that should have been done several years ago.

In the area of health care, our budget accommodates an increase of \$50 billion to expand children's health insurance to cover millions of additional uninsured children. Mr. Speaker, we have 48 million people in this country without health insurance. This is America. We are the leader of the free world, and we have got 48 million people in this country that don't have access to health care. And who are these? Not the people who don't want to work. If you don't want to work or can't work, you qualify for Medicaid, which is a health insurance program for the poor, the disabled, and the elderly.

These 48 million folks, who are they? Ten million of them are children. Children. And the rest of them are people that are trying to do the right thing and stay off welfare and they are working the jobs with no benefits. We want to expand children's health insurance to cover the millions of additional uninsured children in this country.

Education. The Democratic budget provides a 2008 program level that is \$3 billion over current services for education, training, and social services, which includes funding for No Child Left Behind programs, special education, and aid to help students afford college. Now, this idea of No Child Left Behind was a great concept, but it has become nothing more than an unfunded mandate for our local school districts, and it has forced our schools and teachers to spend all their time teaching to

a test instead of teaching our children how to learn.

This No Child Left Behind business is so messed up, Mr. Speaker, that we are spending the whole school year teaching a test, and then giving the children the test in March on everything that they were supposed to learn through May. It is my understanding the reason they give the test in March on everything they are supposed to learn through May is they have got to do it early, as in March, so that the people that grade the tests can get the results back by October so the school district will have it to write a report that is due in September on how they are going to make the school better.

□ 2320

And they call it No Child Left Behind. It needs some serious fine tuning, and we need to put an end to this unfunded mandate and fund this program and fund our children's education.

Well, the budget, as I mentioned, also will provide aid to help students afford college. The Democratic budget increases funds for Head Start and child care.

Let me tell you, Mr. Speaker, that we live in a country where we get to choose where we work, where we worship, whom we marry. One of the few things in life we don't get to choose is who our parents are. Some children get really lucky. I did. Some don't. But as a Nation, I believe we have a duty and an obligation to be there for all children. And, Mr. Speaker, if we will invest in their education, in Head Start funding, if we will invest in the early years of a child's life, we can turn them into a productive, lifelong citizen of this country. Compare that to turning our backs on them and spending \$25,000 a year warehousing them behind bars. The choice is easy for me, and that choice is reflected in our Democratic budget.

Well, the fiscally conservative Democratic Blue Dog Coalition in the past has had to write our own budget. Why? Because the Republican leadership wouldn't give us a seat at the table. They wouldn't listen to our ideas. They would not include our ideas in their budget. This year the new Democratic majority leadership invited the Blue Dog Coalition, the 43 of us that are fiscally conservative Democrats, to sit at the table and to help draft a common-sense budget that reflects our values, our priorities, and restores fiscal discipline to our Nation's government. We asked for several principles to be included in this budget, and I am pleased to tell you, Mr. Speaker, that the budget that will be on the floor of this House on Thursday includes all six of the provisions that we asked for. Again, we are in the middle, America is in the middle, and as you can see, we are ensuring that this new Democratic majority governs from the middle.

Here are the six points that we asked to be included in the budget, and they have been: Number one, as we men-

tioned earlier, the Democratic budget adheres to the House pay-as-you-go, PAYGO, rule, a principle long advocated by the Blue Dogs as a solution for putting an end to deficit spending and reducing the nearly \$9 trillion national debt. Republican budgets over the past several years included a net total of hundreds of billions of dollars in new mandatory spending. By contrast, this budget includes a net total of zero dollars in new mandatory spending. Due to its adherence to PAYGO rules, any increases in mandatory spending must be offset elsewhere in the government. That means cut programs that don't work. Don't borrow more money from China and Mexico. That key provision is included in the budget that will be on the floor of this House, the Democratic budget, on Thursday.

The second thing we asked for and got in this budget: The Democratic budget provides a commitment to the extension of statutory PAYGO requirements, a tool that was instrumental, as I mentioned earlier, in the return of the budget surpluses during the 1990s. Our budget resolution puts the House on record as endorsing an extension of the statutory version of PAYGO, pay-as-you-go, rules, which proved instrumental in bringing the budgets from large deficits of the early 1990s to the budget surpluses achieved by the end of that decade. We have now passed PAYGO as a rule in the House, and now in this budget we are endorsing it as law.

Number three, we asked for and received in this budget a provision for a strong national defense. The budget provides for a strong national defense and ensures that the protection of all Americans is the number one priority of our Federal Government. The preamble of the Blue Dog Coalition talks about fiscal discipline and talks about a strong national defense. It was important to us that we matched the funding request in the President's budget and provide increases in homeland security funding levels, and we have done that. The Democratic budget does that. It targets these resources to our most pressing security needs, and the budget includes an increase over the President's request for veterans health care and homeland security. That is the third point.

The fourth point that we asked for and got included in the budget: Unlike the President's budget, the Democratic budget is fiscally responsible and realistically reaches balance in 2012. Our budget puts an end to irresponsible deficit spending and has a better bottom line than the President's budget over 5 years by \$234 billion and therefore accrues less debt and waste, fewer resources on interest payments on the national debt. Our budget holds the line on mandatory spending levels, putting our country back on the path toward fiscal responsibility.

The fifth thing we asked for and got in the budget, Mr. Speaker, provides

for fiscally responsible tax relief. The budget calls for a permanent fix, not temporary, but a permanent fix, for the alternative minimum tax, AMT, to provide tax relief for middle-class families without increasing the deficit and reaffirms support for extending middle-income tax cuts consistent with PAYGO, pay-as-you-go, rules.

And, finally, number six, the last thing we asked for and got included in the budget: The Democratic budget contains tough program integrity measures to crack down on wasteful spending while ensuring that legitimate recipients of Federal funds and law-biding taxpayers are not penalized. That is what our new Democratic budget does. It will be on the floor of this House on Thursday.

Here is the alternative. This is what has been proposed by the President in his budget: The Bush administration has turned a projected 10-year budget surplus of \$5.6 trillion into a projected 10-year deficit of \$2.8 trillion. Under the last 6 years of fiscal irresponsibility, America's national debt has increased 50 percent to nearly \$9 trillion, or \$29,000 for every American. About 75 percent of America's new debt has been borrowed from foreign creditors, making our fiscal integrity a matter of national security. The national debt is up \$3 trillion since 2001, and it will soar to more than \$12 trillion by the end of 2012. President Bush has now borrowed more money from foreign nations than the previous 42 U.S. Presidents combined. Let me repeat that. This administration has borrowed more money from foreign central banks and foreign investors in the past 6 years than the previous 42 Presidents combined. You want to talk about a threat to our national security, there is one.

Well, the President's budget continues on the same fiscally irresponsible course. Under the President's budget, America's national debt will grow by \$3 trillion over the next 5 years to \$11.5 trillion, more than twice the size of the debt that the Bush administration inherited. Under the President's plan, deficits continue for the next 5 years. The deficit would increase by \$24 billion in fiscal year 2008 if not for a growing Social Security surplus that is used to mask the true nature of the President's deficits. With honest and realistic accounting, under the President's budget, we have a deficit projected to rise to \$464 billion by 2016. To hide this fact, the budget omits enormous costs, including the full cost of fixing the alternative minimum tax and the full cost for the Iraqi war, which is now costing us as taxpayers some \$12 million an hour.

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\$2.5 billion a week it costs us, \$9 billion a month.

The President's budget cuts domestic purchasing power by \$114 billion over 5 years. Well, the President's budget omits the full cost of the administration's policy in Iraq and Afghanistan,

which means the President will come back, as he did last week, asking for more emergency spending, asking for more supplemental measures, another way of trying to hide the true cost of the war in Iraq.

The President's budget only provides \$50 billion for wars in Iraq and Afghanistan after fiscal year 2008, yet last week he asked for \$95 billion just to get through the rest of this year. Despite the numerous underestimations provided in years past and the nearly half a trillion dollars spent already, again he has come in and underestimated the amount of money that will be needed for fiscal year 2008 in Iraq and Afghanistan.

The administration's budget discontinues the funding after just a down payment for 2009, even though the administration is increasing troop strengths and has no current plans to scale back operations in Iraq or Afghanistan.

Mr. Speaker, a recent CBO, Congressional Budget Office, scenario estimated war costs for Iraq, Afghanistan and the Global War on Terrorism, could be as much as \$603 billion higher over 10 years than what is included in the administration's budget. The President's budget uses rosy assumptions that boost the bottom line. The President's 2008 budget relies on unrealistically rosy assumptions that the economy will grow its way back to a budget surplus.

For example, in 2012 it assumes revenues that are \$155 billion higher than comparable projections made by CBO, the Congressional Budget Office. Without these optimistic assumptions, a claimed 2012 surplus of \$61 billion becomes a \$94 billion deficit.

The President's budget fails to address permanent AMT reform. The President's budget includes only a 1 year fix for the Alternative Minimum Tax. This will allow the number of taxpayers affected by the AMT to skyrocket from 3.5 million in 2006 to 26.5 million in 2008, and represents a \$247 billion tax increase on middle class families over the next 5 years. That is in the budget President's budget, a \$247 billion tax increase on middle-class families over the next 5 years.

Forty-three members of the fiscally conservative Democratic Blue Dog coalition do not support tax increases like the one found here in the President's budget. The AMT has been deliberately used by the Bush administration to mask, to hide, the cost of its tax cuts, which have been paid for by the middle-class.

The AMT has also taken back a large portion of the Bush tax cuts promised for middle-class families. In 2001, an act provided marriage penalty relief by increasing the standard deduction and the size of the 15 percent tax bracket, but it did not reduce the marriage penalty contained in the AMT. In essence the 2001 act did not provide marriage penalty relief for many married taxpayers.

Democrats are going to fix that in the budget voted on the floor of this House on Thursday. It remains unfixed, however, in the President's budget.

Congress has recently enacted a series of temporary fixes that limited the expansion of the AMT, Alternative Minimum Tax, to about 4 million taxpayers. But if left unchanged, next year the AMT will become a burden on the pocketbooks of millions of middle-class Americans.

Well, the President's budget also includes additional hidden taxes and fee increases. For example, the President's budget raises taxes on about 30 million families with employer-provided health insurance by over \$300 billion over 10 years. The President's plan will result in a growing proportion of seniors paying higher Medicare premiums every year by eliminating indexing of the income related premium and extending it to the Medicare prescription drug benefit. These proposals will increase premiums paid by seniors to the tune of \$5.5 billion over the next 5 years.

Veterans, I told you what the Democratic budget is going to do for veterans. Let's look at the President's. The President's budget proposes new enrollment fees and increases copayments for veterans healthcare. These fee collections will cost veterans \$2.3 billion from 2008 to 2012.

The President's budget also imposes medical fees on TRICARE, the health insurance plan for military retirees under the age of 65. The increased fees imposed on military retirees will amount to \$1.9 billion in 2008 and \$14.5 billion over 5 years.

The President's budget eliminates, doesn't cut, it eliminates, a \$9 million traumatic brain injury program at a time when hundreds of Iraq and Afghanistan veterans are returning home needing help as a result of these traumatic brain injuries.

Education. We talked about what the Democratic budget will do for education. Let's look at the President's. The President's budget cuts funding for elementary and secondary education, denying 3.2 million children the extra reading and math help they were promised by the so-called No Child Left Behind Act.

The Bush budget eliminates higher education programs designed to help lower income students afford college, including the Perkins loans, the Supplemental Educational Opportunity Grant Program and the Leveraging Educational Assistance Partnership Program. Approximately 1.5 million students would lose financial aid awards as a result of these Bush higher education cuts.

Mr. Speaker, the Bush budget eliminates, not cuts, it does not cut, it eliminates 44 education programs, including Supplemental Opportunity Education Grants, Education Technology, Even Start, Ready to Teach, school counseling, mentoring and school drop out prevention.

The President's budget cuts, I am sorry, it doesn't cut, it eliminates, 44

education programs that can help to lift up our young people. The President's budget cuts discretionary education funding by \$1.5 billion, or 2.6 percent below fiscal year 2007.

Well, the President's budget also reduces the availability of low cost loans for financially needy students by proposing to recall \$419 million from Perkins loan revolving funds held by 1,315 colleges and universities. This will be the first step toward recalling \$3.2 billion over 5 years from these revolving funds, which are used to provide low income loans averaging \$2,000 to financially needy students.

The President's budget eliminates the \$771 million Supplemental Educational Opportunity Grant Program and the \$65 million Leveraging Educational Assistance Partnership Program, both of which help lower income students afford a higher education.

Overall, Mr. Speaker, approximately 1.5 million students would lose financial aid awards as a result of these Bush higher education cuts.

The Bush budget cuts funding for Head Start by \$100 million. If enacted, this cut in the President's budget means that up to 13,500 children will be cut from the program next year.

There are cuts to healthcare. There are so many cuts. There are cuts to agriculture. There are cuts to homeland security.

Mr. Speaker, I know as our time winds down that it is important that we look at the President's budget, it is important that we look at the Democratic budget and that we ask ourselves, which one reflects our values, our priorities? Which one reflects America's values and priorities?

I am proud that this new Democratic majority on the Budget Committee, under the leadership of Chairman SPRATT, that they sat with us, 43 member strong fiscally conservative Democratic Blue Dog Coalition and gave us input in helping write a common sense budget that meets America's values and priorities, while restoring common sense and fiscal discipline to our Nation's government.

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And I hope on Thursday, Mr. Speaker, we will see this budget, this commonsense budget pass that does reflect our values. It relates to our children and education, to our working families, to our seniors and their security, their Social Security and their retirement security and their health care security, and to children, some 10 million without health insurance tonight.

It is a commonsense budget that can help us return to the days of a balanced budget, that can help us put an end to this deficit spending, that can help us put an end to this reckless spending that we have seen for the past 6 years occur day after day on the floor of this House Chamber.

Mr. Speaker, as I close this evening, I remind you that as you walk the halls of Congress, as you walk the

House Office Buildings, you will note this Blue Dog Coalition poster reminding every Member of Congress and those who walk the halls that today the U.S. national debt is \$8,841,089,074,666.40. And every one of us, every man, woman and child in America, our share is \$29,326.47.

Mr. Speaker, I submit to you that it is our duty and obligation to restore fiscal discipline to our national government; and that when we leave here someday we will be able to say to our children and grandchildren that we helped make this country a better place for all of us to call home.

With that, Mr. Speaker, on behalf of the 43 member strong, fiscally conservative Democratic Blue Dog Coalition, I yield back the balance of my time.

#### LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. ANDREWS (at the request of Mr. HOYER) for today.

#### SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

The following Members (at the request of Mr. RODRIGUEZ) to revise and extend their remarks and include extraneous material:

Mr. RODRIGUEZ, for 5 minutes, today.

Ms. LEE, for 5 minutes, today.

Ms. SHEA-PORTER, for 5 minutes, today.

Mrs. JONES of Ohio, for 5 minutes, today.

Mr. TOWNS, for 5 minutes, today.

Mr. DEFAZIO, for 5 minutes, today.

Mrs. MCCARTHY of New York, for 5 minutes, today.

Mrs. BOYDA of Kansas, for 5 minutes, today.

Ms. NORTON, for 5 minutes, today.

(The following Members (at the request of Mr. SMITH of Nebraska) to revise and extend their remarks and include extraneous material:)

Mr. WOLF, for 5 minutes, March 28.

Ms. FOXX, for 5 minutes, today.

Mr. TANCREDO, for 5 minutes, today.

Mr. BARTLETT of Maryland, for 5 minutes, March 28.

Mr. FRANKS of Arizona, for 5 minutes, today.

Mr. SHIMKUS, for 5 minutes, today.

#### SENATE BILLS REFERRED

Bills of the Senate of the following titles were taken from the Speaker's table and, under the rule, referred as follows:

S. 474. An act to award a congressional gold medal to Michael Ellis DeBakey, M.D.; to the Committee on Financial Services.

S. 1002. An act to amend the Older Americans Act of 1965 to reinstate certain provisions relating to the nutrition services incentive program; to the Committee on Education and Labor.

#### ADJOURNMENT

Mr. ROSS. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 11 o'clock and 41 minutes p.m.), the House adjourned until tomorrow, Wednesday, March 28, 2007, at 10 a.m.

#### EXECUTIVE COMMUNICATIONS, ETC.

Under clause 8 of rule XII, executive communications were taken from the Speaker's table and referred as follows:

972. A letter from the Director, Regulations Policy and Mgmt. Staff, Department of Health and Human Services, transmitting the Department's final rule — Medical Devices; Reprocessed Single-Use Devices; Requirement for Submission of Validation Data [Docket No. 2006N-0335] received March 18, 2007, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Energy and Commerce.

973. A letter from the Director, Regulations Policy and Mgmt. Staff, Department of Health and Human Services, transmitting the Department's final rule — Medical Devices; Reprocessed Single-Use Devices; Requirement for Submission of Validation Data; Withdrawal [Docket No. 2006N-0335] received March 18, 2007, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Energy and Commerce.

974. A letter from the Deputy Director, Defense Security Cooperation Agency, transmitting reports in accordance with Section 36(a) of the Arms Export Control Act, pursuant to 22 U.S.C. 2776(a); to the Committee on Foreign Affairs.

975. A letter from the Assistant Secretary for Legislative Affairs, Department of State, transmitting a report providing information on steps taken by the U.S. Government to bring about an end to the Arab League boycott of Israel and to expand the process of normalization between Israel and the Arab League countries, as requested in Section 535 of the Foreign Operations, Export Financing, and Related Programs Appropriations Act for Fiscal Year 2006 (Pub. L. 109-102); to the Committee on Foreign Affairs.

976. A letter from the Assistant Secretary for Legislative Affairs, Department of State, transmitting extension of the waiver of Section 907 of the FREEDOM Support Act, Pub. L. 102-511, with respect to assistance to the Government of Azerbaijan; to the Committee on Foreign Affairs.

977. A letter from the Assistant Secretary for Legislative Affairs, Department of State, transmitting pursuant to Section 620C(c) of the Foreign Assistance Act of 1961, as amended, and in accordance with section 1(a)(6) of Executive Order 13313, a report prepared by the Department of State and the National Security Council on the progress toward a negotiated solution of the Cyprus question covering the period December 1, 2006 through January 31, 2007; to the Committee on Foreign Affairs.

978. A letter from the Deputy Secretary, Department of State, transmitting the Department's report on the status of the use of Pub. L. 107-228 Authority for Russian Federation Debt Reduction for Nonproliferation; to the Committee on Foreign Affairs.

979. A letter from the Assistant Secy for Administration & Management, Department of Labor, transmitting a report pursuant to the Federal Vacancies Reform Act of 1998; to the Committee on Oversight and Government Reform.

980. A letter from the Assistant Secy for Administration & Management, Department

of Labor, transmitting a report pursuant to the Federal Vacancies Reform Act of 1998; to the Committee on Oversight and Government Reform.

981. A letter from the Assistant Secretary for Fish, Wildlife and Parks, Department of the Interior, transmitting the Department's final rule — Endangered and Threatened Wildlife and Plants; Designation of Critical Habitat for the Spikedace (*Meda fulgida*) and the Loach Minnow (*Tiaroga cobitis*) (RIN: 1018-AU33) received March 22, 2007, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Natural Resources.

982. A letter from the Director, Fish and Wildlife Service, Department of the Interior, transmitting the Department's final rule — Endangered and Threatened Wildlife and Plants; Reclassification of the American Crocodile Distinct Population Segment in Florida from Endangered to Threatened (RIN: 1018-AI41) received March 22, 2007, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Natural Resources.

983. A letter from the Acting Chair, Federal Subsistence Board, Department of the Interior, transmitting the Department's final rule — Subsistence Management Regulations for Public Lands in Alaska, Subpart C and Subpart D-2007-08 Subsistence Taking of Fish and Shellfish Regulations (RIN: 1018-AU57) received March 22, 2007, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Natural Resources.

984. A letter from the Director, Fish and Wildlife Service, Department of the Interior, transmitting the Department's final rule — Endangered and Threatened Wildlife and Plants; Final Rule Designating the Greater Yellowstone Area Population of Grizzly Bears as a Distinct Population Segment; Removing the Yellowstone Distinct Population Segment of Grizzly Bears From the Federal List of Endangered and Threatened Wildlife; 90-Day Finding on a Petition to List as Endangered the Yellowstone Distinct Population Segment of Grizzly Bears (RIN: 1018-AT38) received March 22, 2007, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Natural Resources.

985. A letter from the Deputy Assistant Administrator for Regulatory Programs, NMF's, National Oceanic and Atmospheric Administration, transmitting the Administration's final rule — Fisheries of the Exclusive Economic Zone Off Alaska; Bering Sea and Aleutian Islands; 2007 and 2008 Final Harvest Specifications for Groundfish [Docket No. 070213033-7033-01; I.D. 112706A] received March 18, 2007, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Natural Resources.

#### REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. DINGELL: Committee on Energy and Commerce. H.R. 477. A bill to amend the Public Health Service Act to strengthen education, prevention, and treatment programs relating to stroke, and for other purposes; with amendments (Rept. 110-75). Referred to the Committee of the Whole House on the State of the Union.

Mr. DINGELL: Committee on Energy and Commerce. H.R. 1132. A bill to amend the Public Health Service Act to provide waivers relating to grants for preventive health measures with respect to breast and cervical cancers; with an amendment (Rept. 110-76). Referred to the Committee of the Whole House on the State of the Union.