for and believe; and what they stand for and believe is, again, taking more of your money and spending it.

A lot of times I speak to school groups. I spoke to one on Monday.

□ 2300

And they often ask me, What is the difference between Democrats and Republicans? And I tell them that the short answer to that is Democrats believe that government is the answer to everything. Just have more government. Take more money from the American people and put it into government. Republicans think that Americans have survived very well on individual initiative, entrepreneurship, and individual responsibility, and we don't need the government to run our lives completely. So there is a big difference.

Also, the Democrats think the government knows how to spend your money more than you know how to spend your money. Republicans think that you are quite intelligent enough to know how to spend your money and we don't need to take it away from you and give it to some bureaucrat to spend it for you. So that is the big difference. And I think, again, the Democrat budget illustrates that.

It also illustrates how out of touch they are with the citizens of this country. As one of my colleagues said the other night, and I wish it had been my line, they promised change, but what they didn't tell you was it was going to be the change left in your pocket from taking your money away from you for increased taxes.

Now, under the assumptions in the Democrats' proposed budget that is going to be voted on tomorrow, we are going to see a massive tax hike. In fact, you are going to see the largest tax increase in our Nation's history. The Democrat budget increases taxes by $392.5 billion over 5 years, shattering their last record tax increase of $240 billion in 1993, when they were last in control of the Congress. In fact, they would increase taxes by $231 billion in 2012 alone.

Today, almost 100 million Americans from virtually every walk of life have a financial plan for their future that involves saving and investing, and millions more benefit from the countless jobs and opportunities that a capital marketplace creates. In addition, more than half of America's seniors receive dividend income every year and more than 30 percent receive capital gains income.

Under the Democrat budget, these seniors will see a tax increase of an average of $1,100 on dividends and capital gains. Overall, 28 million American families will pay an additional $1,000 a year in new investment taxes as a result of the budget. Many of these people earn annual incomes of $50,000 and less.

This is more than just a reckless policy that endangers the strength of our economy. I see it as a cause for serious concern for the livelihood of the people of North Carolina's Fifth District, whose tax bills would skyrocket under the proposed budget. In North Carolina alone, more than 3.1 million taxpayers would see their tax bill go up. It wouldn't be a little bump either. The average tax increase for those 3.1 million North Carolinians would be $2,671.

This approach is completely backwards. We should be looking first to put money back into taxpayers' pockets, not taking it out.

The 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 increases that hit middle-income families, low-income earners, families with children, small businesses, and many 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% 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%.

And these increases are no accident. During the budget markup, Democrats rejected every one of a series of amendments that would have prevented tax increases.

But ultimately, this budget proposal isn't a real surprise. It's 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.

For example, if you take one look 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 proved they don't mind using our troops as bargaining chips.

Democrats have willfully abandoned their pledge of fiscal responsibility. They pledged to follow pay-as-you-go budget rules and spending restraint to curb the deficit. And then we get this budget, which would give us the largest tax increase in history and ignore the larger consequences for our economy.

These massive tax increases would threaten to reverse the economic gains that have developed since adoption of the 2001 and 2003 tax laws.

Job Growth—A total of 7.6 million new jobs have been created—an average of 168,500 per month.

Unemployment Declines—The unemployment rate has fallen from 6.1 percent to 4.5 percent.

Economic Growth—In the past 15 quarters, real gross domestic product [GDP] has grown an average of 3.5 percent per year. In the nine prior quarters, average GDP growth was an anemic 1.1 percent.

Investment Growth—Business investment has increased for 15 straight quarters, reversing a previous nine-quarter decline.

Stock Market Gains—Despite recent market corrections, the Dow Jones Industrial Average remains 41 percent above its 2003 level.

Ignores Fiscal Benefits—These tax increases also threaten to reverse the substantial deficit reduction that has occurred in the past several years.

Total federal tax revenue has increased from 16.5 percent of GDP in 2003 to 18.5 percent this year—exceeding the average percentage of the past four decades.

Tax revenue grew by 14.6 percent in 2005, 11.5 percent in 2006, and 9.3 percent in the first five months of fiscal year 2007.

Deficit Reduction. This revenue growth was the principal 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.

Raising the 10% Tax Rate Bracket to 15 percent—More than 5 million individuals and families who previously owed no taxes would become subject to the individual income tax in 2011 if Democrats are successful in raising the 10% tax rate bracket to 15%, and reducing or eliminating other low-income tax benefits.

Eliminates Marriage Penalty Relief—23 million taxpayers would see their taxes increase, on average, by $466 in 2011.

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 Democrats' Tax Hike—115 million taxpayers would see their taxes increase, on average, by $1,795 in 2011; 83 million women would see their taxes rise, on average, by $2,068; 48 million married couples would incur average tax increases of $2,899; 12 million single women with children would see their taxes increase, on average, by $1,082; 17 million elderly individuals would incur average tax increases of $2,270; and taxes would rise, on average, by $3,960 for 26 million small business owners.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Ms. MILLENDER-MCDONALD (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. MCDERMOTT) to revise and extend their remarks and include extraneous material:)

Ms. KILPATRICK, for 5 minutes, today.

Mr. SCOTT of Virginia, for 5 minutes, today.

Mrs. CHRISTENSEN, for 5 minutes, today.

Mr. ELLISON, for 5 minutes, today.

Ms. JACKSON-LEE of Texas, for 5 minutes, today.

Ms. WATERS, for 5 minutes, today.

Ms. LEE, for 5 minutes, today.

Mr. MCDERMOTT, for 5 minutes, today.

Mr. DEFAZIO, for 5 minutes, today.

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

Ms. WOOLSEY, for 5 minutes, today.

Ms. NORTON, for 5 minutes, today.

Mr. LANGEVIN, for 5 minutes, today.

Mr. DAVIS of Illinois, for 5 minutes, today.

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

Mr. GARRETT of New Jersey, for 5 minutes, today.

Ms. FOXX, for 5 minutes, today.

ENROLLED BILL SIGNED

Ms. Lorraine C. Miller, Clerk of the House, reported and found truly enrolled a bill of the House of the following title, which was thereupon signed by the Speaker:

S. 494. An act to endorse further enlargement of the North Atlantic Treaty Organization (NATO) and to facilitate the timely admission of new members to NATO, and for other purposes.

ADJOURNMENT

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

The motion was agreed to; accordingly (at 11 o'clock and 3 minutes p.m.), the House adjourned until tomorrow, Thursday, March 29, 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:

986. A letter from the Chief Counsel/FEMA, Department of Homeland Security, transmitting the Department's final rule — Withdrawal of Final Flood Elevation Determination for the Listed Communities in Yuma and Coconino Counties, AZ [FEMA Docket No. D-7642] received January 16, 2007, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Financial Services.

987. A letter from the Secretary, Department of Energy, transmitting the Department's annual report on the Economic Dispatch of Electric Generation Capacity, pursuant to Sections 1234 and 1832 of the Energy Policy Act of 2005; to the Committee on Energy and Commerce.

988. A letter from the Deputy Archivist of the United States, National Archives and Records Administration, transmitting the Administration's final rule — National Archives and Records Administration Implementation of OMB Guidance on Nonprocurement Debarment and Suspension [DOCKET NUMBER: NARA-06-0010] (RIN: 3095-AB56) received March 2, 2007, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Oversight and Government Reform.

989. A letter from the Chairman, National Endowment for the Arts, transmitting the Endowment's report for Fiscal Years 2001-2006, in accordance with Title II of the Notification and Federal Employee Antidiscrimination and Retaliation Act of 2002; to the Committee on Oversight and Government Reform.

990. A letter from the Secretary to the Board, Railroad Retirement Board, transmitting in accordance with Section 647(b) of Division F of the Consolidated Appropriations Act, FY 2004, Pub. L. 108-199, the Board's report on competitive sourcing efforts for FY 2006; to the Committee on Oversight and Government Reform.

991. A letter from the Counsel for Legislation and Regulations, Department of Housing and Urban Development, transmitting the Department's final rule — Inflation Adjustment of Civil Money Penalty Amounts [Docket No. FR-5104-F-01] (RIN: 2501-AD30) received February 27, 2007, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on the Judiciary.

992. A letter from the Secretary, Department of Transportation, transmitting the Department's report entitled, ''Buckle Up America: The National Initiative for Increasing Safety Belt Use, Ninth Report To Congress and Seventh Report to the President'' June 2004, as required by House Report 105-188 and Executive Order 13043, highlighting activities from January 1, 2005, through December 31, 2005; to the Committee on Transportation and Infrastructure.

993. A letter from the Vice President, Government Affairs and Communications, National Railroad Passenger Corporation, transmitting the National Railroad Passenger Corportation (Amtrak)'s Financial Performance of Routes, pursuant to 49 U.S.C. 24315(a); to the Committee on Transportation and Infrastructure.

994. A letter from the Dir. Regulations Mgt., Department of Veterans Affairs, transmitting the Department's final rule — Home Schooling and Educational Institution (RIN: 2900-AM37) received February 27, 2007, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Veterans' Affairs.

995. A letter from the Dir. Regulations Mgt., Department of Veterans Affairs, transmitting the Department's final rule — Priority for Partial Grants to States for Construction or Acquisition of State Home Facilities (RIN 2900-AM42) received February 27, 2007, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Veterans' Affairs.

996. A letter from the Chief, Publications and Regulations Branch, Internal Revenue Service, transmitting the Service's final rule — Corporate Reorganizations; Additional guidance on distributions under sections 368(a)(1)(D) and 354(b)(1)(B) [TD 9313] (RIN: 1545-BG29) received March 1, 2007, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Ways and Means.

997. A letter from the Chief, Publications and Regulations Branch, Internal Revenue Service, transmitting the Service's final rule — Moore v. Commissioner, T.C. Memo. 2006-171 [T.C. Docket No. 11634-05L) received March 1, 2007, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Ways and Means.

998. A letter from the Chief, Publications and Regulations Branch, Internal Revenue Service, transmitting the Service's final rule — Depreciation of MACRS Property That is Acquired in a Like-Kind Exchange or As a Result of an Involuntary Conversion [TD 9314] (RIN: 1545-BF37) received February 28, 2007, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Ways and Means.

999. A letter from the Secretary, Department of Health and Human Services, transmitting the report entitled ''Second Report to Congress on the Evaluation of the Medicare Coordinated Care Demonstration'' in response to the requirements Section 4016(c) of Public Law 105-33, the Balanced Budget Act of 1997; jointly to the Committees on Energy and Commerce and Ways and Means.

1000. A letter from the Chair, Good Neighbor Environmental Board, transmitting the tenth annual report of the Good Neighbor Environmental Board; jointly to the Committees on Transportation and Infrastructure and Energy and Commerce.

PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XII, public bills and resolutions were introduced and severally referred, as follows:

By Mrs. BONO (for herself, Mr. LEWIS of California, Mr. ISSA, and Mr. CALVERT):

H.R. 1725. A bill to amend the Reclamation Wastewater and Groundwater Study and Facilities Act to authorize the Secretary of the Interior to participate in the Rancho California Water District Southern Riverside County Recycled/Non-Potable Distribution Facilities and Demineralization/Desalination Recycled Water Treatment and Reclamation Facility Project; to the Committee on Natural Resources.

By Mr. DEFAZIO (for himself, Mr. KUCINICH, Ms. SCHAKOWSKY, Mr. FRANK of Massachusetts, and Mr. MORAN of Virginia):

H.R. 1726. A bill to promote more humane treatment of farm animals; to the Committee on Oversight and Government Reform, and in addition to the Committee on Agriculture, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Ms. BALDWIN (for herself, Mrs. BONO, Mr. LANGEVIN, and Mr. BILIRAKIS):

H.R. 1727. A bill to enhance and further research into paralysis and to improve rehabilitation and the quality of life for persons living with paralysis and other physical disabilities, and for other purposes; to the Committee on Energy and Commerce.

By Mr. HONDA (for himself, Mr. FARR, Ms. MCCOLLUM of Minnesota, Mr. ELLISON, Mr. DOGGETT, Mr. GRIJALVA, Mr. CARNAHAN, Mr. WAXMAN, Mr. COHEN, and Mr. CLEAVER):

H.R. 1728. A bill to authorize the National Science Foundation to establish a Global Warming Education Program; to the Committee on Science and Technology.

By Mr. HAYES (for himself, Mr. MCINTYRE, Mr. MCHENRY, Mr. COBLE, Mr. PRICE of North Carolina, Mr. ETHERIDGE, Mr. BUTTERFIELD, Mrs. MYRICK, Mr. SHULER, Mr. MILLER of North Carolina, and Mr. WATT):

H.R. 1729. A bill to amend the Trade Act of 1974 with respect to the trade adjustment assistance program, and for other purpose; to the Committee on Ways and Means.

By Mr. WALDEN of Oregon (for himself, Mr. POMEROY, Mr. GRAVES, Mr. ALLEN, Mr. BOYD of Florida, Mr. PAUL, Mr. EDWARDS, Mrs. MCMORRIS RODGERS, Ms. HERSETH, Mr. STUPAK, Mr. OBERSTAR, Mr. SIMPSON, Mrs. EMERSON, Mr. HERGER, Mr. MATHESON, Mr. TERRY, Mr. BOOZMAN, Mr. FORBES, Mr. ETHERIDGE, Mrs. CUBIN, Mr. KIND, Mr. HASTINGS of Washington, Mr. MORAN of Kansas, Mr. BOUCHER, Mr. REHBERG, Mr. LUCAS, Mr. PICKERING, Mr. LOEBSACK, Mr. MICHAUD, Mr. MILLER of Florida, Mr. RENZI, Mr. PETERSON of Pennsylvania, Mr. MCINTYRE, Mrs. BOYDA of Kansas, Mrs. CAPITO, Mr. MANZULLO, Mr. JONES of North Carolina, Mr. WELCH of Vermont, Mr. BERRY, Mr. HARE, Mr. ROSS, Mr. LATHAM, Mr. BOREN, Mr. BOSWELL, and Mr. UDALL of New Mexico):

H.R. 1730. A bill to amend title XVIII of the Social Security Act to ensure proportional representation of rural interests on the Medicare Payment Advisory Commission; to the Committee on Ways and Means, and in addition to the Committee on Energy and Commerce, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. BAIRD (for himself and Mr. SOUDER):