

Chandler  
Clarke  
Clay  
Cleaver  
Clyburn  
Cohen  
Conyers  
Cooper  
Costa  
Costello  
Courtney  
Cramer  
Crowley  
Cuellar  
Cummings  
Davis (AL)  
Davis (CA)  
Davis (IL)  
Davis, Lincoln  
DeFazio  
DeGette  
Delahunt  
DeLauro  
Dicks  
Dingell  
Doggett  
Donnelly  
Doyle  
Duncan  
Edwards  
Ellison  
Ellsworth  
Emanuel  
Eshoo  
Etheridge  
Farr  
Fattah  
Filner  
Frank (MA)  
Giffords  
Gillibrand  
Gonzalez  
Gordon  
Green, Al  
Green, Gene  
Grijalva  
Gutierrez  
Hall (NY)  
Hare  
Hastings (FL)  
Hersteth Sandlin  
Higgins  
Hinchey  
Hinojosa  
Hirono  
Hodes  
Holden  
Holt  
Honda  
Hooley  
Hoyer  
Inslee  
Israel  
Jackson (IL)  
Jackson-Lee  
(TX)

## NOES—194

Aderholt  
Akin  
Alexander  
Bachmann  
Bachus  
Baker  
Barrett (SC)  
Bartlett (MD)  
Barton (TX)  
Biggert  
Bilbray  
Bilirakis  
Bishop (UT)  
Blackburn  
Blunt  
Boehner  
Bonner  
Bono  
Boozman  
Boustany  
Brady (TX)  
Brown (SC)  
Brown-Waite,  
Ginny  
Buchanan  
Burgess  
Burton (IN)  
Buyer  
Calvert  
Camp (MI)  
Campbell (CA)

Jefferson  
Johnson (GA)  
Johnson, E. B.  
Kagen  
Kanjorski  
Kennedy  
Kildee  
Kilpatrick  
Kind  
Klein (FL)  
Kucinich  
Lampson  
Langevin  
Lantos  
Larsen (WA)  
Larson (CT)  
Lee  
Levin  
Lewis (GA)  
Lipinski  
Loebach  
Lofgren, Zoe  
Lowey  
Lynch  
Mahoney (FL)  
Maloney (NY)  
Markey  
Marshall  
Matheson  
Matsui  
McCarthy (NY)  
McCollum (MN)  
McDermott  
McGovern  
McIntyre  
McNerney  
McNulty  
Meehan  
Meek (FL)  
Meeks (NY)  
Melancon  
Michaud  
Miller (NC)  
Miller, George  
Mitchell  
Mollohan  
Moore (KS)  
Moore (WI)  
Moran (VA)  
Murphy (CT)  
Murphy, Patrick  
Murtha  
Nadler  
Napolitano  
Neal (MA)  
Oberstar  
Obey  
Oliver  
Ortiz  
Pallone  
Pascrell  
Pastor  
Payne  
Perlmutter  
Peterson (MN)  
Pomeroy

Price (NC)  
Rahall  
Rangel  
Reyes  
Rodriguez  
Ross  
Rothman  
Roybal-Allard  
Ruppersberger  
Rush  
Ryan (OH)  
Salazar  
Sanchez, Linda  
T.  
Sanchez, Loretta  
Sarbanes  
Schakowsky  
Schiff  
Schwartz  
Scott (GA)  
Scott (VA)  
Serrano  
Sestak  
Shea-Porter  
Sherman  
Shuler  
Sires  
Skelton  
Slaughter  
Smith (WA)  
Snyder  
Solis  
Space  
Spratt  
Stark  
Stupak  
Sutton  
Tauscher  
Taylor  
Thompson (CA)  
Thompson (MS)  
Tierney  
Towns  
Udall (CO)  
Udall (NM)  
Van Hollen  
Velázquez  
Visclosky  
Walz (MN)  
Wasserman  
Schultz  
Waters  
Watson  
Watt  
Waxman  
Weiner  
Welch (VT)  
Wexler  
Wilson (OH)  
Woolsey  
Wu  
Wynn  
Yarmuth

Johnson, Sam  
Jones (NC)  
Jordan  
Keller  
King (IA)  
King (NY)  
Kingston  
Kirk  
Kline (MN)  
Knollenberg  
Kuhl (NY)  
LaHood  
Lamborn  
Latham  
LaTourette  
Lewis (CA)  
Linder  
LoBiondo  
Lucas  
Lungren, Daniel  
E.  
Mack  
Manzullo  
Marchant  
McCarthy (CA)  
McCaul (TX)  
McCotter  
McCrery  
McHenry  
McHugh  
McKeon  
Mica  
Miller (FL)  
Miller (MI)  
Miller, Gary

## NOT VOTING—13

Baird  
Cubin  
Davis, Jo Ann  
Engel  
Harman  
Jones (OH)  
Kaptur  
Lewis (KY)  
McMorris  
Rodgers

## ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore (during the vote). Members are advised 2 minutes are remaining in this vote.

□ 1409

Mr. MARCHANT changed his vote from “aye” to “no.”

So the resolution was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

Stated against:

Mr. TIAHRT. Mr. Speaker, on rollcall No. 376 I was unavoidably detained. Had I been present, I would have voted “no.”

Mr. DUNCAN. Mr. Speaker, I inadvertently voted “aye” on rollcall No. 376, adoption of the rule for the Conf. Rpt. on the FY '08 budget. I would like the RECORD to reflect that I meant to vote “nay.”

# CONTINUATION OF THE NATIONAL EMERGENCY WITH RESPECT TO BURMA—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES (H. DOC. NO. 110-35)

The SPEAKER pro tempore laid before the House the following message from the President of the United States; which was read and, together with the accompanying papers, without objection, referred to the Committee on Foreign Affairs and ordered to be printed:

## To the Congress of the United States:

Section 202(d) of the National Emergencies Act (50 U.S.C. 1622(d)) provides for the automatic termination of a national emergency unless, prior to the anniversary date of its declaration, the President publishes in the *Federal Reg-*

Schmidt  
Sensenbrenner  
Sessions  
Shadegg  
Shimkus  
Shuster  
Simpson  
Smith (NE)  
Smith (NJ)  
Smith (TX)  
Souder  
Stearns  
Sullivan  
Tancredo  
Tanner  
Terry  
Thornberry  
Tiberi  
Turner  
Upton  
Walberg  
Walden (OR)  
Walsh (NY)  
Wamp  
Weller  
Westmoreland  
Whitfield  
Wicker  
Wilson (NM)  
Wilson (SC)  
Wolf  
Young (AK)  
Young (FL)

ister and transmits to the Congress a notice stating that the emergency is to continue in effect beyond the anniversary date. I have sent the enclosed notice to the *Federal Register* for publication, stating that the Burma emergency is to continue beyond May 20, 2007.

The crisis between the United States and Burma arising from the actions and policies of the Government of Burma, including its policies of committing large-scale repression of the democratic opposition in Burma, that led to the declaration of a national emergency on May 20, 1997, has not been resolved. These actions and policies are hostile to U.S. interests and pose a continuing unusual and extraordinary threat to the national security and foreign policy of the United States. For this reason, I have determined that it is necessary to continue the national emergency and maintain in force the sanctions against Burma to respond to this threat.

GEORGE W. BUSH.

THE WHITE HOUSE, May 17, 2007.

# CONFERENCE REPORT ON S. CON. RES. 21, CONCURRENT RESOLUTION ON THE BUDGET FOR FISCAL YEAR 2008

Mr. SPRATT. Mr. Speaker, pursuant to House Resolution 409, I call up the conference report on the Senate concurrent resolution (S. Con. Res. 21) setting forth the congressional budget for the United States Government for fiscal year 2008 and including the appropriate budgetary levels for fiscal years 2007 and 2009 through 2012.

The Clerk read the title of the Senate concurrent resolution.

The SPEAKER pro tempore (Mr. POMEROY). Pursuant to House Resolution 409, the conference report is considered read.

(For conference report and statement, see proceedings of the House of May 16, 2007, at page H5071.)

The SPEAKER pro tempore. The gentleman from South Carolina (Mr. SPRATT) and the gentleman from Wisconsin (Mr. RYAN) each will control 30 minutes.

The Chair recognizes the gentleman from South Carolina.

Mr. SPRATT. Mr. Speaker, I yield myself such time as I may consume.

This budget resolution which we present today did not come easily. It comes from months of hard work, hearings, and negotiations. The end product is a good budget, not perfect, I will admit. Not complete but worthy of support. Indeed, it requires our support if we do not want the process to fail again, as it did last year when no concurrent resolution was passed and only two of 11 appropriation bills were enacted.

This budget moves us to balance over the next 5 years. Along the way, it posts smaller deficits than the President's budget. It adheres to the pay-as-you-go principle and contains no new

mandatory spending that is not paid for, and it funds “program integrity initiatives” to root out wasteful spending, fraud, and tax evasion.

Within this framework, our budget does more for veterans’ health care, more for children’s health care, and more for education. Here in a nutshell are the basics of this budget:

This budget comes to balance in 5 years and runs a surplus of \$41 billion in the year 2012. Contrast that with the President’s budget, which remains always in deficit. This budget allocates \$954 billion to discretionary spending, or about \$75 billion more than this year, of which about \$50 billion is for national defense. This total includes \$450 billion for nondefense discretionary, or about \$23 billion more than this year.

This budget not only abides by the PAYGO principles, it extends them, establishing a Senate PAYGO rule and calling for statutory PAYGO as well.

The concurrent resolution before us, like the House resolution, sets defense spending at levels the President requested, though it targets resources to the troops and conventional forces. It provides more for homeland security than the administration requested, and it funds the recommendations of the 9/11 Commission. So it is strong on defense, internal and external.

This budget does all of the above, and I would emphasize this, it does all of the above without raising taxes. The tax cuts enacted in 2001 and 2003 all remain in force, unaffected in any way by this resolution. As originally written and enacted, most of the tax cuts expire on December 31, 2010. In our budget resolution, we separated out the middle income tax cuts and made it the policy of our resolution to extend those tax cuts when they expire.

□ 1415

In this concurrent resolution, we go even further. We install a trigger that facilitates the extension of these tax cuts so long as the House waives its PAYGO rule and so long as the tax cuts extended do not exceed 80 percent of the surplus projected by OMB for the year 2012.

This budget’s basic objective is to get back to balance. That is the bottom line. In such a budget, we can’t have everything we want, but we do believe that some promises should be kept above all others, for example, the promises we’ve made to our veterans. This resolution increases funding for veterans health care in 2008 by \$6.7 billion, 18.3 percent above the current year.

We also do not believe that children’s health care and education should be sidetracked while we seek to work out ways to balance the budget. This budget accommodates an increase of \$50 billion to expand the Childrens Health Insurance Program, so-called SCHIP, and cover millions of uninsured children. This budget also provides \$4.6 billion over current services for education, job

training and employment services. That includes more money for No Child Left Behind, for special education and student loans.

Lacking any other arguments, our friends from across the aisle, our Republican adversaries, will claim that this budget resolution raises taxes, as they have repeatedly and wrongly. Let me answer that claim emphatically. This budget does not raise taxes by one penny. Period. Not by one penny.

On the contrary, the 2008 budget resolution accommodates the extension of the middle income tax cuts, pays for a 1-year patch to prevent the AMT from coming down on middle income taxpayers, and calls for reform of the AMT, consistent with PAYGO principles, to save middle income taxpayers from this stealthy tax.

This budget is fiscally sound, a solid framework, is balanced from the top line to the bottom, and I urge support for it.

Mr. Speaker, I reserve the balance of my time.

Mr. RYAN of Wisconsin. Mr. Speaker, I yield myself such time as I may consume.

I would like to start off by congratulating Chairman SPRATT and the majority staff on the Budget Committee for reaching this point in the budget process. This is not easy. And they are to be commended for getting the budget up to this point.

I have long believed that the budget resolution is an important statement of congressional policy and a critical act of governing. So in a sense, I am glad to see this conference report here today. And the gentleman from South Carolina deserves credit for that.

That said, the choices in this budget, or some would argue, the complete lack thereof, represents an enormous missed opportunity, an enormous missed bipartisan opportunity.

The Democrats’ fiscal year 2008 budget sets off a vicious cycle, Mr. Speaker. Higher taxes fuel higher spending and greater spending demand. In order to meet this appetite for greater spending, we are going to have to raise taxes again and again and again. Let’s take a look at how this will work.

First, the linchpin of this budget, and numbers do not lie, check with the Congressional Budget Office, its only one binding fiscal policy is the same one that Democrats have been bringing to the floor time and again, “raise taxes.” This budget will raise taxes on the American economy and American workers by at least \$217 billion. That is the second largest tax increase in American history. And to be clear, their \$217 billion tax increase is just an opening bid. It will last only until the majority can raise the ante.

As you may recall, Mr. Speaker, the House Democrats wanted and included in their budget a \$400 billion tax increase. That would have been the largest in history. But the Senate made it clear by a vote of 97-1 that they would not accept the House’s number. So

from this conference report, it would initially appear that the House Democrats ceded to the Senate’s smaller tax number, the smaller tax increase, that’s according to the CBO, that is, until you take a closer look at some of the procedures and gimmicks included in this report.

First let’s look at the trigger. There is this so-called tax trigger. In short, this trigger will provide the majority with an immense loophole allowing them to renege on their promise to protect certain high-profile tax benefits, and they can do it without leaving any fingerprints because it would all be automatic. All the Democrats have to do, believe it or not, is spend too much money, and that will set off the trigger and raise those taxes.

Mr. Speaker, they are saying in this budget they want to extend marriage penalty relief, the child tax credit and the 10 percent bracket. But if they spend too much money, guess what happens automatically? Those tax cuts go away.

Then there is the \$190 billion worth of unfunded spending increases promised in this budget’s 23 reserve funds. If they actually deliver on these promised 23 wish list reserve funds, that’s another tax hike.

Mr. Speaker, even their version of PAYGO, which they touted as proof of their commitment to fiscal discipline, is just a means to make it easier to raise taxes. What happens if they raise mandatory spending, Mr. Speaker? You guessed it. They have to raise taxes to pay for it.

So again, this \$217 billion tax hike is just the starting bid. You can expect them to draw from that well again and again and again. Why is this a problem? Why do we have this huge difference of opinion, difference in philosophy of ideology of economic doctrines? Because the enormous tax increases will threaten the economic and fiscal progress our Nation has made these past several years.

As I have said many times before, the tax decreases, the tax cuts we passed in 2001 and 2003 have turned this economy around, it brought us out of recession. It improved job growth, GDP growth. It lowered the unemployment rate. Business investment and the entire market rebounded. And all that growth has led to surging revenues coming into the Federal Treasury. Three years of double digit revenue growth at these lower tax rates. The tax hikes contained in this budget threaten to reverse all of this.

And think of the impact this tax hike will have on the small businesses that it hits. Our small businesses, who are already paying the second highest tax burden in the industrialized world, will be told that they are just not paying enough. In this increasingly global economy, where these companies are struggling to compete with China and India, imposing an even larger tax burden will be crushing. It will severely threaten our ability to compete, and let alone lead, in the global economy.

So what will taxpayers get in return for sending Congress ever higher cuts of their paychecks? Better working, more efficient, less wasteful spending? No. The majority doesn't even pretend they are going to control spending.

There is no control on the existing trajectory of spending we have in this budget. We are only 5 months into this Congress, and at every opportunity the new majority has chosen the path of higher spending. They increased discretionary spending by \$6 billion in the omnibus, another \$20 billion or so of extraneous spending in the supplemental, and now they're increasing nondefense discretionary appropriations next year by another \$23 billion.

For all we've heard about how the Democrats had to clean up the mess the Republicans gave them, their only response to this seems to be spend more and tax more. This formula has never worked for getting control of the budget in the past, and it won't work now. It's also the reverse of what's going on in the rest of the world. Across Europe, governments are moving away from their welfare state, big government tax policies and toward more market-oriented policies. For instance, the latest, most clear example. But here in the States, where we should be leading the tide toward free markets, Democrats are taking us in the other direction.

Finally, I think the biggest failure of this budget is not what it does do, it's what it doesn't do. This budget does nothing to reform entitlement programs, to extend their solvency. We had a parade of witnesses from the left and from the right, Democrat witnesses, Republican witnesses, the Chairman of the Federal Reserve, the OMB Director, the CBO Director, all come to us and say, you've got to get a handle on entitlements. You have to reform the entitlement programs to make them more solvent, to stop this enormous unfunded liability that is hitting American taxpayers.

Even with the Democrats' \$400 billion tax increase, they had in the House-passed version, that would quickly outpace revenues, entitlements would swamp us.

So Mr. Speaker, even if we hit a temporary balanced budget, as this might achieve, it will be temporary because you can't raise taxes enough again and again to outpace the trajectory of entitlement spending growth. We will go back into deficits because this budget does nothing to control spending.

So why have the Democrats failed to even address this dire situation? Because as Senate Budget Chairman Senator CONRAD told 60 Minutes, "It's always easier not to. It's always easier to defer, to kick the can down the road, to avoid making choices." "You know, you get into trouble in politics when you make choices." I appreciate that sentiment, but we all know that is not what budgeting is about. Budgeting is about making choices even when they're tough, even when they are not

politically popular because that is what we came here to do.

In closing, I believe this budget fails to make any real choices, let alone the right ones. It will impose on American families and businesses at least the second largest tax increase in American history, if not the largest, add immense new government spending, and put off critical entitlement reforms for at least another 5 years. Our House Republican budget proved we can balance the budget without raising taxes and stop the rate on Social Security.

It is my genuine hope that the House will vote today to change this dangerous course and send the Democrat budget back to the drawing board.

With that, Mr. Speaker, I reserve the balance of my time.

Mr. SPRATT. Mr. Speaker, before yielding to the majority leader, let me set the record straight with respect to revenue flows.

If you look in the Congressional Budget Office projections of revenues in the budget, you will see that for the period 2008 through 2012, cumulative revenues are projected to be \$15.3 trillion. If you subtract 176 for that to account for the agreement we've made with the Senate, which will facilitate the adoption and extension of the middle income tax cuts adopted between 2001 and 2003, then our number for total revenues, according to CBO is \$14.828 trillion. The President's budget, total revenues are \$14.826 trillion. We are \$14.828 trillion, the President is \$14.826 trillion; \$2 billion difference. This is the biggest tax increase in history? Give me a break.

And how about the Republican's own revenue stream. You start from the same baseline. They have to use CBO numbers too. \$15.3 trillion. Deduct from that \$447 billion, which they have in tax cuts during that period of time, the baseline number for them becomes \$14.556 trillion. That is a difference of \$272 billion over 5 years, less than \$50 billion a year over that period of time. This is absurd. This has gone on and on and on, as the speeches claim, and we will refute it every time it's raised today.

Mr. Speaker, I now yield 1 minute to the gentleman from Maryland, the distinguished majority leader.

Mr. HOYER. I thank my friend for yielding.

As my friend from Wisconsin has heard me say so often, I am at once amused, and at the same time deeply disappointed because I have watched an unending series of young, earnest, very bright Republican leaders stand on this floor or stand in the OMB or in the White House, led by David Stockman, and then John Kasich, then Jim Nussle, and now PAUL RYAN, all very able representatives who served in this body, who come before us and assert, with a certitude that is unflappable, that they have the answer for bringing economic well-being to America.

During that 26 years that I have observed those serious, I believe, con-

scientious young men make that representation, without fail they have presented budgets that have put this country, without exception, every year of their budgets \$4.1 trillion further in debt. And then they said in 1993, when we adopted an economic program sent down by President Clinton, "this is going to destroy our country." They called it the largest tax increase in history. They were, of course, not telling the truth. That was not the fact.

In fact, the largest tax increase that has occurred in this country since I have been in Congress, in terms of real dollars, was the Dole-Reagan tax increase in the early 1980s.

So I come before this House to say I hope the American people will understand that the representation we have just heard has been made over and over and over again. And the results of the policies promoted by that rhetoric have been unending and inevitable large deficits. In fact, of course, the revenues are substantially below, as the gentleman knows, the projections that were made.

□ 1430

Mr. Speaker, today the Members of this House can proudly vote for a budget conference report that addresses our Nation's critical needs on national security, education, health care, the environment and many other areas, while also making a 180-degree turn away from the most reckless fiscal policies in the history of our Nation.

My young friend from Wisconsin knows well that spending over the last 6 years was twice the rate of spending in terms of percentage increase under the Clinton years. Twice. Of course, the Republicans controlled the House, the Senate and the presidency, and spending was at twice the rate of growth that it was during the Clinton years.

I urge every Member of this House, on both sides of the aisle, to vote for this responsible Democratic budget conference report. It will be a change from the past, because we will adopt a budget, and I say you are probably even going to adopt appropriations bills, unlike last year.

First and foremost, this Democratic budget provides robust defense spending levels, because our national security is our highest priority. This budget provides more homeland security funding than the Bush administration requested. It funds the 9/11 Commission recommendations, and it increases funding for veterans health care and services by \$6.7 billion.

We talk about supporting our troops. If we support our troops, we need to honor our veterans, and we need to honor our veterans with more than just talk. We need to make sure that their health care is provided. This budget does that. In fact, this budget is \$3.6 billion more than the President requested. Of course, he requested that before Walter Reed, before the long lines, before the American public was aware of how underfunded veterans health care is.

Furthermore, after 6 years of fiscal irresponsibility, this budget will bring our budget back into balance in 2012. President Reagan, President Bush I and the 7 years of Bush II, never one balanced budget year in those 19 years. During the Clinton administration, 4, half of the budget years had surpluses.

Now, the great falsehood, the great deceit, the great misrepresentation perpetrated by many of our friends on the other side of the aisle is that the budget somehow raises taxes. That is simply and absolutely untrue.

Now, the Republicans pride themselves on not raising taxes. They simply borrow money from the Chinese, the Japanese, the Saudis, the Germans. In fact, they borrowed over \$1.2 trillion over the last 6½ years to fund their spending increases.

It is somewhat humorous, I think, that our Republican friends are claiming that this budget raises taxes by failing to extend cuts that the Republicans themselves designed to expire in 2010. By their logic, last year, when the Republicans still controlled both Chambers of this Congress and chose not to extend the taxes, in your budget proposal, remember that, my friends on the other side of the aisle, you did not suggest extending these tax cuts. It is ridiculous.

Don't take it from me, just listen to the Hamilton Project at the Brookings Institution, which yesterday stated, "The budget conference report would not raise taxes. If anything, the budget resolution assumes that Congress will cut taxes."

This is true. In fact, Mr. Speaker, the budget accommodates the extension of middle income tax cuts, as the chairman has said, and provides immediate relief for middle income taxpayers affected by the Alternative Minimum Tax. We want to fix the Alternative Minimum Tax. In fact we want to fix it by giving 81 million Americans a tax cut.

In addition, this budget increases funding for Head Start, LIHEAP, accommodates a \$50 billion increase to cover millions of uninsured children, and rejects the administration's harmful cuts to environmental programs.

Finally, Mr. Speaker, for our friends on the other side to complain that this budget provides for an increase in the debt ceiling strains credibility. The rule that is in this bill was in your budgets repeatedly.

In just 6 years, this administration and Republican Congress turned a projected budget surplus of \$5.6 trillion into an over \$3 trillion deficit, an \$8.6 trillion turnaround to the red side of the budget on your watch when you controlled all of the levers of this House. And you raised the debt ceiling 4 years in a row.

The new Democratic majorities in this Congress have inherited a fiscal debacle that today, through this conference report, we can begin to address and make right. This is a budget that we can be proud of, and it stands in

stark contrast to the extraordinarily irresponsible policies of the last 6 years.

I urge all of my colleagues, vote for fiscal responsibility and a brighter future for our children and for our country. Vote for this Democratic budget.

Mr. RYAN of Wisconsin. Mr. Speaker, will the gentleman yield?

Mr. HOYER. I will be glad to yield to my friend from Wisconsin.

Mr. RYAN of Wisconsin. Mr. Speaker, just a point of clarification. I think the gentleman said that our budget did not extend the tax cuts. It did. In fact, it extended all the 2001 and 2003 tax cuts. I just wanted to state that for the record. That is all.

Mr. HOYER. Mr. Speaker, reclaiming my time, I don't have it in front of me, but what your budget did was you assumed that the tax cuts were going to be extended. You did not extend them in your budget legally, which you could have done under the rules. You claim you didn't do it initially because of the rules in the Senate. I think that is accurate.

Mr. RYAN of Wisconsin. Well, I can go back into that, but I think we have belabored the point.

Mr. HOYER. Mr. Speaker, I thank the chairman for his work, I thank him for yielding me the time, and I urge a yes vote on this responsible, effective budget for our country.

Mr. RYAN of Wisconsin. Mr. Speaker, I yield myself 30 seconds simply to ask a rhetorical question, if the Democrats chose to extend some of the tax cuts in this budget and therefore not all of the others, how is this not a tax increase?

If the Senate said that the Democrat House budget raised taxes and they didn't want to raise them as much and they forced the conference to negotiate to keep some of the tax cuts at bay, how is this not a tax increase? If they are saying they are preserving some of the tax cuts, then by definition they are raising the other taxes.

You can't have it both ways.

Mr. Speaker, I yield 2 minutes to a young, earnest, conscientious Republican leader, the gentleman from Florida (Mr. PUTNAM).

Mr. PUTNAM. Mr. Speaker, I thank the young ranking member for yielding.

Mr. Speaker, unlike the majority leader, protocol does not allow me unlimited time to rebut his numerous inaccuracies, but let me lay out this fact first: The Democratic budget that we will vote on this evening raises taxes. And if you don't believe it, just wait until your tax bill comes due in a couple of years when you are asked to pay more than you are today. And you will be asked to pay the largest tax increase in American history.

The marriage penalty will be back. The death tax, back. The bracket creep, back. Small businesses paying more than Fortune 100 companies. It will crimp the economy that is robust and strong and creating a record Dow as we speak.

The majority leader said national security is their highest priority. If it is your highest and first priority, why are we now in May with troops running out of funds, running out of resources, and a President begging for a supplemental for men and women who are in harm's way, if national security is your highest priority?

If you care to honor the veterans, then in addition to paying for veterans health care, in addition to dealing with veterans retirement, why are you not similarly honoring those veterans by reforming entitlements, so that when those young veterans come back, that every think tank in this town is in agreement that Social Security and Medicare will be bankrupt before those young veterans are eligible to receive those promised benefits, and you do nothing about it.

Why don't you honor those young veterans, why don't you honor those future generations, those first year teachers, this spring's graduates from high schools and colleges, why don't you honor them by dealing with the crisis that our country faces in Social Security, Medicare and Medicaid consuming the Federal budget? It already makes up over half of Federal expenditures.

This budget raises taxes, skyrockets the spending and does nothing to deal with the generational crisis we face in entitlements. I urge you to defeat this irresponsible document.

Mr. SPRATT. Mr. Speaker, I yield to the gentleman from Texas (Mr. GENE GREEN) for the purpose of making a unanimous consent request.

(Mr. GENE GREEN of Texas asked and was given permission to revise and extend his remarks.)

Mr. GENE GREEN of Texas. Mr. Speaker, I support the conference committee report and thank both the chairman and the Budget Committee for their good work.

Mr. Speaker, I rise today in support of the conference report accompanying the fiscal year 2008 budget resolution. This budget resolution represents a return to fiscal soundness for our country, which has operated without a budget resolution in 3 of the last 5 years. This budget will help our country emerge from a sea of red ink and put us on a path toward a budget surplus in the next 5 years, with a \$41 billion surplus projected for 2012.

Key to the fiscal responsibility in this budget is the inclusion of critical budget enforcement provisions known as PAYGO. This budget extends to the Senate the PAYGO rules adopted earlier this year in the House, which ensure that any future tax cuts or increases in mandatory spending are offset elsewhere in the budget. This budget hews to that principle and does not include any new mandatory spending that is not offset.

Mr. Speaker, I also applaud our House and Senate Budget Committee Chairmen for their attention to the domestic needs of this country and the resources this budget dedicates for health care programs and research that have suffered in previous budgets. The conference

report provides a reserve fund of up to \$50 billion for the reauthorization of the State Children's Health Insurance Program. As a member of the Energy and Commerce Committee, which is working to reauthorize the SCHIP program, I want to make sure the program is available to the 6 million American children who are currently eligible but not enrolled in the program. The reserve fund in this budget will allow us to expand the program for these children while also maintaining fiscal discipline under PAYGO.

On the discretionary side, the budget resolution includes an additional \$20 billion over last year's level for health programs. In years past, worthy health care programs like trauma systems funding, Emergency Medical Services for Children, Health Centers and NIH research funding have been forced to compete for funding that was not sufficient to meet our health care needs. This budget recognizes the importance of adequately funding domestic priorities like health care and education programs that are true investments in our country's future.

I thank our House conferees for their work on this budget resolution and congratulate them on this truly balanced budget, in terms of both the deficit and the needs of the American people.

Mr. SPRATT. I yield 2 minutes to the gentleman from California (Mr. GEORGE MILLER).

(Mr. GEORGE MILLER of California asked and was given permission to revise and extend his remarks.)

Mr. GEORGE MILLER of California. Mr. Speaker, how remarkable and refreshing this budget is. Finally a budget that ends the Republican commitment to endless seas of red ink and deficit spending. Finally a budget that ends the Republicans' commitment to squandering the \$5 trillion that they inherited from the Clinton administration.

But more remarkable about this budget is it takes us in a new direction. It takes us in a direction where once again we see ourselves as a country and a national government investing in young people in this country, investing in their education, investing in the effort to make college more affordable for families and students who have to borrow money. That is what this budget does.

With a \$9 billion increase over and above the President's budget, for the first time we are able to change the trendlines from reducing the expenditure on behalf of students with disabilities, on behalf of the elementary and secondary education of America's students, on behalf of job training. That is what this money does. This is an investment in the future of our young people. This is an investment in the elementary-secondary education system of young people in this country. This is an investment in reducing the cost of college.

That is a markedly different direction than we have been going over the last 6 years, where we just headed headlong into seas of red ink, where it overwhelmed everything else the government was about to do, where it started taking its toll on the education

budgets of this country, where we denied the opportunities for people to have an affordable student loan, where we now see in excess of a quarter of a million young people deciding they won't be able to borrow the money, they won't be able to pay it back, and so they have decided maybe they will have to postpone or defer a college education permanently.

This budget also gives us the opportunity to address in a comprehensive fashion the reducing of the cost of college, to remake the student loan program, to get rid of these mindless, endless subsidies that the previous budgets have contained for the lenders, subsidies that fueled the corruption that we have seen in the program.

This is a remarkably refreshing, exciting budget for this country, for its young people and for its future.

Mr. RYAN of Wisconsin. Mr. Speaker, I yield 1½ minutes to the ranking member of the Education and Labor Committee, the gentleman from California (Mr. MCKEON).

Mr. MCKEON. Mr. Speaker, I thank the gentleman for yielding and I thank him for his work on this budget.

I rise in opposition to the second largest tax hike in American history. This agreement before us includes a tax hike of at least \$217 billion by fiscal year 2012. Worse yet, the budget includes a troubling tax hike trigger that would automatically raise taxes even higher if surpluses do not materialize due to unrestrained Federal spending, a habit I don't expect Congressional Democrats will break any time soon.

This agreement also includes a reconciliation instruction for the Education and Labor Committee. I have supported reconciliation as a means to reduce the deficit in the past, in just the last Congress in fact. But clearly deficit reduction is not a priority in this budget. The fact that our committee is the only panel with this instruction reflects this. Instead, I am afraid this instruction might leave the door open for the majority to abuse the process in order to give Washington bureaucrats a greater stranglehold on student loans than ever before through a greater emphasis on the government-run direct loan program.

Let me be clear: I stand ready to strengthen Federal student aid programs by promoting competition among and within the loan programs while providing additional funds for low income students to attend college. This is just what we did through reconciliation in the last Congress.

However, Mr. Speaker, I won't stand idly by while the majority attempts to drive a stake through the heart of the market-based loan program. This would be terrible news for students and taxpayers alike, and I will do all I can to fight against it.

□ 1445

Mr. SPRATT. Mr. Speaker, I yield 2 minutes to the gentlewoman from Connecticut (Ms. DELAURO).

Ms. DELAURO. Mr. Speaker, I am proud that we have come together and finally agree on a fiscally responsible budget. And I am proud of the work that we have done to address our most urgent priorities as a Congress and as a Nation.

Last year, the previous majority failed to pass a budget and in the process left us without the framework to pass critical appropriations bills. In 1998, 2002, 2004, we also went without a budget resolution. We have to do better, and that begins today. We have a responsibility in this Congress to do our jobs and to put our Nation back on track.

At last we are beginning to get our House in order with a real commitment to spend our tax dollars wisely and with fiscal responsibility, finally honoring our long-standing commitments and making a modest investment in our future. By balancing our budget and even providing for a slight \$41 billion surplus by the year 2012 without raising taxes, this plan reflects our priorities and takes our Nation in a new direction.

Today we have a budget that makes an investment in children and families for the first time in 6 years. We have a budget that expands SCHIP, the hugely successful children's health insurance program to give kids without coverage the attention and care that they need.

We have a budget that ensures new resources for No Child Left Behind to make student achievement a reality, and a new commitment for Pell Grants to make college education more affordable.

We have a budget that honors our veterans with the resources our VA facilities need to handle increased patient load, and provide the care our servicemembers deserve.

We face great challenges, challenges that the Federal Government has the ability, the capacity, the resources and the moral obligation to help us meet. Let us embrace that obligation, create real opportunity today, and give people the tools they need to grow and to thrive tomorrow.

Mr. RYAN of Wisconsin. Mr. Speaker, I yield 1½ minutes to the gentleman from South Carolina (Mr. BARRETT).

Mr. BARRETT of South Carolina. Mr. Speaker, I rise today in opposition to conference report S. Con. Res. 21, the Democratic congressional budget for 2008.

By not addressing the Bush tax cuts, the Democratic budget resolution conference report calls for at least a \$217 billion tax hike, the second highest in American history.

This budget resolution also includes a trigger which would automatically turn the tax increase into the largest in American history.

Mr. Speaker, the government spends too much money. We have serious challenges facing this Nation and spending more money is not a solution. The conference report increases non-defense appropriations by \$22 billion above

2007, and \$21 billion above the President's request.

It fails to maintain emergency funds included in last year's budget resolution. Also, emergency spending is loosely defined in this budget resolution and does not prevent future abuses in emergency supplemental appropriations.

The conference report has 23 reserve funds which include the promise of more than \$190 billion in additional spending which I can only assume will be paid by additional taxes.

The House Budget Committee listened to many testimonies from budget experts, indicating our Nation was facing a fiscal crisis when it comes to entitlement spending; yet the conference report does nothing to address this issue. We cannot simply raise taxes and hope our entitlement problems will solve themselves.

Mr. Speaker, I hoped at least some of the commonsense solutions put forth in the Republican substitute would have been settled, and I urge my colleagues to vote against this budget resolution.

Mr. SPRATT. Mr. Speaker, I yield 1½ minutes to the gentlewoman from Pennsylvania (Ms. SCHWARTZ).

Ms. SCHWARTZ. Mr. Speaker, as a member of the Budget Committee, I first want to recognize the leadership of Chairman SPRATT. It is under his leadership that we have a budget before us that is both responsible and attentive to America's priorities. It reaches balance in 5 years, and it does so without raising taxes, and it meets our obligations while making important investments in America's future.

First, it provides for our national defense. It targets resources to the most urgent military and security concerns, including implementation of the 9/11 Commission recommendations.

Second, our budget honors our commitment to our servicemen and women. It provides funding that will enable the Veterans Administration to provide for the increasing needs of our veterans.

Third, our budget recognizes the priorities of hardworking Americans. It provides tax relief to middle-income families by fixing the AMT, extending lower tax rates, and continuing the earned income and child tax credits. And it expands SCHIP to provide health coverage to 7 million uninsured children in this country of middle-income families.

Fourth, our budget enhances our Nation's economic competitiveness and makes key investments to ensure that our future workforce has the education and skills needed to compete in the global economy.

Our budget is fiscally disciplined. It ends the unsustainable borrow-and-spend policies of the last 6 years, and it balances the budget in 5 years, setting us on a course to pay down our debt while meeting our Nation's obligations.

We should all be proud of this budget. It is a new direction, and it is the right direction for America.

Mr. RYAN of Wisconsin. Mr. Speaker, I yield 1 minute to the gentleman from California (Mr. HERGER), a member of the Ways and Means Committee.

Mr. HERGER. Mr. Speaker, I recently served on the Budget Committee for 8 years, during which time we had the only four balanced budgets in recent history. I am sad to see, however, that today's budget envisions what could amount to the largest tax increase in American history to pay for higher spending.

The budget would increase discretionary spending at roughly three times the inflationary rate while failing to achieve real savings for taxpayers. Taxes will grow by at least \$217 billion as pro-growth tax relief is allowed to expire. Even the child tax credit and marriage penalty relief may not be extended. I urge Members to reject this budget.

Mr. SPRATT. Mr. Speaker, I yield 1½ minutes to the gentleman from New York (Mr. BISHOP).

Mr. BISHOP of New York. Mr. Speaker, I rise in strong support of this conference report. We can be proud that this budget finally produces a vision for our future that reflects our hopes and dreams and the promise of economic prosperity and security in the years ahead.

I commend my distinguished chairman and his staff for their hard work, which has resulted in a balanced budget within 5 years, and restoration of middle-class priorities to the budget process. While restoring fiscal responsibility, we also raise funding for veterans, for health care, and for education.

This budget contains reconciliation instructions regarding education expenditures. I believe we have the opportunity to use these instructions to the benefit of students and their families. This budget guarantees that increasing college access and affordability are paramount goals of our majority, and prove that we have followed through on our promise to set a new direction for America.

As our chairman has said repeatedly, if you can't budget, you can't govern. With this budget conference report today, we demonstrate our commitment to govern.

Mr. Speaker, I urge my colleagues to vote for this conference report.

Mr. RYAN of Wisconsin. Mr. Speaker, I yield 1½ minutes to the gentleman from Texas (Mr. CONAWAY), a member of the Budget Committee.

Mr. CONAWAY. Mr. Speaker, I want to speak to one issue in this budget, and that is the tax trigger. I believe this is a ruse to hide behind a tax increase.

I know my colleagues on the other side will argue it is not a tax increase, but I can assure you that American families in 2010 whose financial circumstances are similar in 2011, will pay more in taxes in 2011 than they pay in 2010. Call that what you may, but I believe it is a tax increase.

It is a ruse, Mr. Speaker, because it is built on a foundation of brittle clay. One of the pillars of the foundation is that spending will be restrained. This Democratic majority can spend their way to a point where these tax cuts won't be triggered.

They have already shown a great penchant for spending, a wanton disregard for fiscal restraint. There is \$6 billion extra in the omnibus bill, \$20 billion extra on the supplemental that is yet to pass, and another \$23 billion of new spending in this bill. So they will spend their way.

The other thing it is built on the good graces of the Secretary of the Treasury and the director of OMB, both of whom have to agree that the tax cuts can in fact go forward.

I believe this is a ruse to hide behind the fact that American families will pay more taxes in 2011 and 2012 than they do in 2010 because rates will go up. I urge my colleagues to vote against this budget.

Mr. SPRATT. Mr. Speaker, I yield 2 minutes to the gentleman from Texas (Mr. EDWARDS).

Mr. EDWARDS. Mr. Speaker, last November, American voters sent a very clear message that they wanted to change the status quo in Washington. That is exactly what this budget does.

It represents a positive change that reflects the solid values of American families. To begin with, this budget puts the higher priority on national defense and homeland security because we understand that defending our Nation and families is the Federal Government's first responsibility.

We match the President's defense budget, and invest even more to make our airlines, seaports and communities safer from terrorist attacks. This budget, importantly, honors America's veterans by providing for the largest single increase in VA health care services in the 77-year history of the Veterans Administration, a \$6 billion increase, and our veterans deserve every dollar of that commitment.

Why did we do this? Because we understand that we cannot have a strong and secure America unless we keep our promises to our servicemen and women and veterans who have defended America.

Make no mistake, a vote against this budget is a vote against the most significant increase in veterans health care in VA history. A vote against this budget is a vote against hiring hundreds of new VA claim processors who are needed to reduce the huge backlog of combat-wounded American veterans who are having to wait far too long to get their earned benefits approved.

Mr. Speaker, let me say I have heard some partisan criticism, let's call it, of this bill. Let me point out the source of that criticism is from the same Members of Congress who wrote partisan budgets for the last 6 years, the 6 years of budgets that took this Nation and the largest surpluses in American history to turn them into the largest deficits in American history. These are the



same folks who in 3 of the last 5 years couldn't even pass a budget resolution through the House and Senate.

We are putting America on a new course, the right course for our country and for our veterans.

Mr. RYAN of Wisconsin. Mr. Speaker, I yield 1½ minutes to the gentleman from California (Mr. CAMPBELL), a member of the Budget Committee.

Mr. CAMPBELL of California. Mr. Speaker, I have been listening to this debate and listening to the arguments on the Democratic side of the aisle, and I am waiting for David Copperfield to show up as a member of their Budget Committee because what they are doing is magic. They are over here bragging about all of the additional money they are spending. And bragging, which they are, and bragging that they are balancing the budget, which they say they are, but then saying they are not raising taxes. Which they are.

This budget contains over \$200 billion in tax increases. That is about \$1,000 for every taxpayer in America. And oddly enough, isn't it strange that it also contains about \$200 billion in additional spending over the President's proposed budget.

So they want to raise Americans' taxes by \$1,000 a taxpayer so they can spend it on new spending. Make no mistake about it, a vote for this budget is a vote for at least the second largest tax increase in American history, if not the largest.

Mr. SPRATT. Mr. Speaker, I yield 2 minutes to the gentlewoman from California (Ms. WOOLSEY).

Ms. WOOLSEY. Mr. Speaker, the defense spending in this budget is much, much, much higher than I would like. But I rise today in support of this conference report and the very good work of Chairman SPRATT, of his committee, and his staff.

□ 1500

Thanks go to Chairman SPRATT and the conferees for including my language in this bill to steer more defense dollars to military personnel for their health care, including Walter Reed and TRICARE, and away from outdated, misguided, and unneeded weapons systems that are still being built to fight the threat of the Soviet Union, to protect against the Cold War.

This budget also takes on waste at the Pentagon, insisting that DOD presses ahead in implementing over 1,300 unaddressed suggestions from the GAO to reduce waste, fraud and abuse.

Mr. Speaker, whenever any Member of this Congress has to stand on the floor and defend what they did in years past, you know it's pretty sure that they made some big mistakes. This budget is a big step in correcting the fiscal mess that the Democratic majority inherited, and I urge my colleagues to support its passage.

Mr. RYAN of Wisconsin. Mr. Speaker, I yield 1½ minutes to the gentleman from Texas (Mr. HENSARLING), a member of the Budget Committee.

Mr. HENSARLING. Mr. Speaker, I thank the gentleman for yielding, and when my friends from the other side of the aisle do something that I think is laudatory, I want to laud them for it.

They have taken a budget that contained the single largest tax increase in American history and turned it into a budget that has the second largest tax increase in American history, but before I get too effusive with my praise, they have something in there called a trigger which tells the American people that somehow, if you can prevent us from spending all of your money, maybe, maybe you can get a little of it back. So I suspect, Mr. Speaker, we are again looking at the single largest tax increase in American history.

Now, speaker after speaker on the other side get up and tell us, oh, we're balancing the budget, we're increasing spending that they call investments, but no, no, no, we're not raising taxes. Mr. Speaker, this is Orwellian double-speak. The numbers don't add up. I have got a 5-year-old daughter who can perform better math than that, and she's not very good at it. You can't balance the budget, increase spending and then claim you're not raising taxes. It's shameful.

Mr. Speaker, this is an easy conclusion that the Americans should draw. If they believe that the growth of the Federal budget is more important than the growth of their family budget, they should support this Democrat budget. And if they can sleep well at night knowing that this budget is going to double the taxes of their children and grandchildren, they should embrace that budget. But if they want freedom and opportunity for the next generation, reject this budget.

Mr. SPRATT. Mr. Speaker, I yield 2½ minutes to the gentleman from Illinois (Mr. EMANUEL), the distinguished chairman of our caucus.

Mr. EMANUEL. Mr. Speaker, I'd like to thank my colleague from South Carolina for his leadership and, most importantly, his leadership because the Democrats promised in November that we're going to bring a new direction and new priorities to Washington.

We've accomplished in 6 months what my colleagues have failed to do in 6 years and that is produce a budget that produces a surplus.

Let me say what a surplus is since you've had such a recognition of not being able to produce one. Surpluses are the fact when the government puts its fiscal house in order and matches up its needs with the American people and produces a surplus, because your financial legacy is \$4 trillion of new debt.

When it comes to economic policy, the one thing that can be said about the Republicans' fiscal mess is that we will forever be in your debt. That is the one thing that's for sure. \$4 trillion in 6-years, the largest increase in the Nation's debt in the shortest period of time is your legacy, and I don't think

you've quite gotten the recognition for what you've done to America, left it nothing but red ink.

This budget is not only in balance, but it's in balance with our values, our values that ensures that 8 million children who do not have health care but parents work full-time, they will get health care; in balance with our values to make sure that we're not subsidizing the financial industry by making sure that middle class parents have the financial resources to send their kids to college; making sure that when it comes to our veterans that in fact we are rewarding our veterans who have fought for this country and say the proper recognition for their service to America, that they get taken care of. And every step of the way, this budget is not only in balance fiscally but is in balance with our values.

The entire legacy in 6 years of the Republican stewardship was one of \$400 trillion of debt left for the Americans to clean up that mess, and we have produced in 6 months a budget that's balanced, and at the end of the process also creates a surplus.

There are different and stark choices. President Kennedy once said, To govern is to choose. We've made the choices to make sure that middle class families get a tax cut, kids get health care, veterans get the respect and the resources that they need to move on with their life, and our families who know that an education and a college education in an era like this where you earn what you learn, that a middle class family does not need a second mortgage or a third job to send their kids to college.

I commend my colleagues for this new direction budget, a budget that is in balance and is also in balance with our values.

Mr. RYAN of Wisconsin. Mr. Speaker, I yield myself 10 seconds simply to say that's correct, the majority did make choices. They chose to raise taxes, they chose to raise spending, and they chose to violate their own PAYGO rules.

With that, Mr. Speaker, I yield 1½ minutes to the gentleman from Florida (Mr. MARIO DIAZ-BALART), a member of the Budget Committee.

Mr. MARIO DIAZ-BALART of Florida. Mr. Speaker, to borrow an old cliché, the more things change, the more they remain the same.

The speaker who spoke a little while ago from the Democrats said that the Democrats in just 6 months have achieved what the Republicans did not do in 6 years. That's true.

In 6 months they've achieved increasing the taxes on the American people, the second largest tax increase in the history of this country. Again, \$217 billion in additional taxes. Mr. Speaker, that's going to hit everybody, middle income families, low income earners, families with children, small businesses. Every American who pays Federal taxes is going to get a huge tax increase.

Mr. Speaker, the American people do not deserve a \$217 billion tax increase

to fund more bureaucracy and more bureaucrats in Washington, D.C. If you think that there are not enough bureaucracy, enough bureaucrats in D.C., vote for this budget. If you think the American people deserve a tax cut, reject this high spending, highly irresponsible tax raising budget.

Mr. SPRATT. Mr. Speaker, I yield 2 minutes to the gentleman from New Jersey (Mr. ANDREWS).

(Mr. ANDREWS asked and was given permission to revise and extend his remarks.)

Mr. ANDREWS. Mr. Speaker, I thank my friend from South Carolina, the chairman, for producing an excellent budget for which every Member should vote.

Responsible people do not pay their bills by borrowing from their children. Responsible people analyze what they can afford, spend only that and save what they can.

For too long, this Congress has labored under a culture of irresponsibility: focus on the next election, spend what you want to, hand out tax cuts to your supporters, and let someone else worry about it down the line.

This budget ends that culture of irresponsibility, and it stands for one clear principle over and over again. We will not run this government on borrowed money, period. We wish to double the number of children covered by the children's health insurance program and we will. But when we do so, we will pay for it without borrowing more money.

Most of us absolutely are committed to extending the tax breaks for middle class families that help them survive, but when we do so, we will do so without borrowing more money from the Chinese, from the Germans, and from our grandchildren.

The easy thing to do around here is to spend more, tax less and borrow more. What it gets you is higher mortgage rates, higher car loan rates, more unemployment, more debt and no explanation whatsoever to the next generation in this country.

Today marks a turning point away from the culture of irresponsibility, toward a culture of responsibility for the future of people of this country.

I urge both Republican and Democratic Members to vote "yes" on this budget.

#### PARLIAMENTARY INQUIRIES

Mr. RYAN of Wisconsin. Mr. Speaker, given the stated concerns about borrowing by the majority, I have a parliamentary inquiry.

The SPEAKER pro tempore (Mr. POMEROY). The gentleman may state his inquiry.

Mr. RYAN of Wisconsin. Mr. Speaker, it's my understanding that pursuant to rule XXVII of the rules of the House, upon adoption of the conference report by both the House and the Senate, the Clerk of the House will be instructed to prepare a joint resolution adjusting the public debt limit; is that correct?

The SPEAKER pro tempore. That is correct.

Mr. RYAN of Wisconsin. Further inquiry, Mr. Speaker.

The SPEAKER pro tempore. The gentleman will state his inquiry.

Mr. RYAN of Wisconsin. Am I further correct, that by operation of rule XXVII, upon adoption of this conference report by both the House and the Senate, this joint resolution adjusting the debt limit will be considered as passed by the House and transmitted to the Senate?

The SPEAKER pro tempore. The gentleman is correct.

Mr. RYAN of Wisconsin. Further inquiry, Mr. Speaker.

The SPEAKER pro tempore. The gentleman may state his inquiry.

Mr. RYAN of Wisconsin. Will there be a separate vote in the House on passing this joint resolution adjusting upwards the debt limit?

The SPEAKER pro tempore. Not by operation of rule XXVII.

Mr. RYAN of Wisconsin. Further inquiry, Mr. Speaker.

The SPEAKER pro tempore. The gentleman will state his inquiry.

Mr. RYAN of Wisconsin. Mr. Speaker, by operation of this rule, will the vote by which the conference report is passed by the House be considered the vote on passage of the joint resolution adjusting the debt limit?

The SPEAKER pro tempore. That is correct.

Mr. RYAN of Wisconsin. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, what we have just learned is that if a Member votes for this conference report, and it is adopted by the Senate, then they will be recorded as having voted for the joint resolution raising the public debt limit to \$9.815 trillion, an increase in the public debt of borrowing of \$850 billion. If a Member votes against this conference report, and it is adopted by the Senate, then they will not be recorded as having voted to increase the debt limit or borrowing by \$850 billion.

So it's very clear that the passage of this budget increases borrowing by \$850 billion and that is, in fact, the effect of this.

Mr. Speaker, I reserve the balance of my time.

Mr. SPRATT. Mr. Speaker, could I inquire of the Chair how much time is left and who has the right to close?

The SPEAKER pro tempore. The gentleman from South Carolina (Mr. SPRATT) has 8 minutes left and will have the right to close. The gentleman from Wisconsin (Mr. RYAN) has 9½ minutes remaining.

Mr. SPRATT. Mr. Speaker, I yield myself 3½ minutes.

We can't have this debate without having a few charts on the floor, and it always bears reminding what's happened over the last 6 years because it is truly a fiscal phenomenon.

When President Bush came to office in 2001, he had an advantage that few Presidents in recent history have enjoyed, a budget in surplus. I'm talking

big-time surplus, \$5.6 trillion by his estimate, over the next 10 years, \$5.6 trillion. That was the year 2001. In the previous year, a Clinton year, we ran a surplus of \$236 billion.

By the year 2004, under the stewardship of this administration and this Congress, because Republicans controlled the House, controlled the Senate and controlled the White House, under their stewardship, the \$5.6 trillion surplus was converted to a \$2.8 trillion deficit, enormous swing of \$8 trillion in the wrong direction, and that \$236 billion surplus in the year 2004 became a deficit of \$412 billion.

Incredible, but that is what we have had for the last 6 years. That's the record over the last 6 years which cannot be denied. Here it is right here.

As a consequence of the deficits that have been run, this simple little chart that I bring down here again and again, because it bears reminding everybody what's happened over the last 6 years, shows that when Bush came into office we had a debt of \$5.7 trillion. The debt today is over \$8 trillion, \$8.8 trillion. That means there's been an increase in the national debt of \$3.1 trillion, and if we continue upon the fiscal path that this administration has taken, by the time they leave office the debt of the United States will be \$90.6 trillion.

Look at the accumulation of debt over this 8-year period of time. We've never seen anything like it. These are the people who would criticize what we are doing.

□ 1515

Now, there has been a lot of talk about tax increases. Let me show you this little chart here, because it shows graphically, and emphatically, something called debt service. The increase in the interest on the national debt that has to be paid, talk about entitlement reform, this is the one true entitlement. It's obligatory, it has to be paid. Interest on the national debt has increased from about \$156 billion a couple of years ago to \$256 billion, and it's on its way north to \$300 billion in a short period of time. This is a debt tax.

Yes, you may have cut taxes in 2001 and 2003, but, because you have borrowed to make up for the loss of revenues and added to the debt of the United States, you, we, our children and their children, will be paying this debt for years to come, and compare this huge mountain of debt service, interest on the national debt, to other priorities.

Education, the light blue block; veterans health care, the green block; Homeland Security, the blue block, all of them are dwarfed by interest on the national debt. So here is the debt tax that you have left us owing, left our children owing, left generations to come owing.

This is the debt tax that will have to be paid because it simply cannot be cut. That's what we are struggling with today because of the fiscal management of this government over the last 6 years.



Mr. Speaker, I reserve the balance of my time.

Mr. RYAN of Wisconsin. Mr. Speaker, I yield 30 seconds to the gentlewoman from North Carolina (Ms. FOXX).

Ms. FOXX. I want to thank Mr. RYAN.

There is a group of Democrats here who came to be fiscal conservatives. They call themselves the Blue Dogs. They have a budget reform plan, a good budget reform plan. Point 7 of the Blue Dogs 12-point budget reform plan calls for not hiding votes on the debt limit increase.

Yet a vote for this conference report is a vote to automatically raise, without a separate vote, the national debt by \$850 billion. Where are the Blue Dogs today? They are not here on the floor talking for this. Where will they be when we have this vote?

Mr. SPRATT. Mr. Speaker, I reserve the balance of my time.

Mr. RYAN of Wisconsin. Mr. Speaker, I yield 2½ minutes to our distinguished minority whip, Mr. BLUNT.

Mr. BLUNT. I thank the gentleman for yielding.

Mr. Speaker, we will be talking about this budget for a long time. Everybody has their own view of this, but you can't have your own view of the facts. One of my good friends got up a minute ago and talked about the size of the deficit.

This budget is going to add \$850 billion this year to the deficit. I think that's almost \$1 trillion, though I am sure people who are listening to this here in the Chamber and anywhere else are confused now by all these numbers they are hearing. This budget, without a single other vote, adds to the national debt.

It raises the debt ceiling. In spite of the many Members in this Chamber who ran for office saying they would never try to hide this vote on the debt, that's exactly what this vote does today.

Entitlement reform, one of my other friends said, we hadn't passed a budget. Well, my friend, you can't have entitlement reform unless you pass a budget. You can't have reconciliation.

We cut the growth of the entitlement spending \$40 billion in the last Congress. By definition, to do that, we had to have a budget. So somebody who suggested we hadn't had a budget also was the person who had some explanation as to why this budget doesn't do entitlement reform.

In fact, then we even make entitlement reform somehow the interest on the national debt. The programs that are growing out of control are the programs that this budget refuses to address.

Then the very interesting topic of tax cuts, tax policies in 2001 and 2003 that have produced record levels of income to the Federal Government; 2005, 14.5 percent more income than 2004; 2006, 11.8 percent, more income than 2005. These tax cuts grew the economy. That grew Federal income. If you raise

the wrong taxes, you will reduce Federal income.

This whole budget debate, our friends in the majority have said, there is no tax increase in this budget. But suddenly, in the budget report, we are told that, well, we have accepted the Senate levels of tax increases, so we are only raising tax revenue by \$217 billion for sure instead of \$400 billion.

This is a huge tax increase. It doesn't deal with entitlements. It raises, without a vote, the national debt ceiling. I urge a "no" vote on this budget. Let's get a blueprint that really works for the future.

Mr. SPRATT. Mr. Speaker, I reserve the balance of my time.

Mr. RYAN of Wisconsin. Mr. Speaker, may I inquire of the chairman, the gentleman from South Carolina, is he the last speaker on their side? You are reserving the right to close?

Mr. SPRATT. I reserve the balance of my time.

Mr. RYAN of Wisconsin. Mr. Speaker, may I inquire how much time is remaining on both sides?

The SPEAKER pro tempore. The gentleman from Wisconsin has 6½ minutes remaining. The gentleman from South Carolina has 4½ minutes remaining.

Mr. RYAN of Wisconsin. At this time I would like to yield 2 minutes to the distinguished chief minority whip from Virginia (Mr. CANTOR).

Mr. CANTOR. I thank the ranking member, Mr. RYAN.

Mr. Speaker and Members of the House, you know, when I sit here in almost astonishment and thinking, it's the fact that even though we are witnessing the massive tax hikes that are embedded in the Democrat budget, in fact, the largest tax increase in American history, what the majority's budget fails to do, it fails to stop the raid on Social Security.

In the year 2012, the Social Security fund will be running a surplus of \$99 billion. As we know, the Federal Government has experience and has collected more in Social Security taxes than it pays out in benefits since 1984. Instead of using this money to shore up Social Security, instead of using it to do something to honor the contract that this government has made with the seniors, the Democrat budget spends that cash surplus on other programs.

What is astonishing is the fact that this very House, last week, in a vote on the Republican motion to recommit to stop the raid on Social Security, this House, in an overwhelmingly bipartisan vote, supported the end of that raid. But here we have the Democrat budget that goes back on that word represented by the bipartisan vote and starts again with the raid on Social Security surplus.

In contrast, the Republican budget that was offered several weeks ago does just the opposite, and, in fact, uses the surplus that will exist in 2012 to begin to shore up the Social Security system and to improve and enhance the vitality of that program for today's seniors.

Mr. Speaker, I strongly recommend a "no" vote on this conference budget report.

Mr. SPRATT. Mr. Speaker, I reserve the balance of my time.

Mr. RYAN of Wisconsin. Mr. Speaker, I yield myself 3½ minutes.

Mr. Speaker, let's just be really clear. You are hearing this debate about taxes. Nowhere is the difference between the two parties ever clear than it is right now. We brought a budget to the floor that not only did not raise taxes, it kept taxes low, and it reduced spending, and it balanced the budget, and it finally stopped the raid of the Social Security Trust Fund.

That's what we proposed. We are not in the majority. Our view did not prevail. The Democrat budget did prevail. What did that budget do? It passed the largest tax increase in American history. That's not what we say, that's what the Congressional Budget Office says, our scorekeepers.

So what did they do in conference? They decided to accede to the Senate and have a slightly smaller tax increase. They started off with the red line, largest tax increase in American history as measured by the Congressional Budget Office. No matter what you say, the numbers in the budget just don't lie.

Then they said, let's have a trigger. If we don't spend too much money, and if the surplus is big enough in 2010, then maybe some taxpayers could get some tax relief, and we won't raise all of their taxes. We will extend the marriage penalty and the child tax credit, 10 percent bracket, but will all the other tax increases occur? So we will have the second highest tax increase in American history.

That's what their proposal does. They simply cannot have it both ways. They cannot say there is no tax increase in this budget and then say we are preserving some of the tax cuts and not others. You can't have it both ways.

Here is what this budget does. It puts us on a vicious cycle of taxing and spending. They start off by spending \$24 billion, next year, brand new spending.

Then they have a \$217 billion tax increase. Then they have 23 reserve funds, 23 wish lists, which equal \$190 billion in new spending. Then they have no entitlement reforms, which means our entitlement programs are going to grow and grow and grow at unsustainable rates. Guess what, \$190 billion in wish lists, 23 new wish lists of spending. What do they get? If they get the spending, they get another \$190 billion tax increase to pay for it, a vicious cycle of new spending.

The trigger tax says we would like to give some people some tax relief, but if we continue to whet our appetite, taxpayers won't get it. All this trigger says is it puts the taxpayer at the back of the line and the government and spending at the front of line. We have a different core set of values.

We believe the money that people make is their money, not the government's money. If you are making money, working hard and paying taxes, that's your money, not ours. We have a different set of beliefs. They believe the opposite. They believe that more and more and more money ought to come out of workers' paychecks. They believe that they can spend your money better than you can.

That is not what we believe. The reason that we don't believe it is because if you have more money in your paycheck, you have more for yourself and more freedom for your family, we know, by golly, the American economy grows. We succeed. We improve in the global economy.

We created 7 million new jobs since this last run of tax cuts. We increased revenues to the Federal Government from these lower tax raises, 3 years in a row, double digit revenue growth. Let's not turn that recipe upside down. Let's not ruin a good thing.

Defeat this budget.

Mr. SPRATT. Mr. Speaker, I reserve the balance of my time.

Mr. RYAN of Wisconsin. Mr. Speaker, I yield the remainder of our time to the distinguished minority leader, Mr. BOEHNER.

Mr. BOEHNER. Mr. Speaker and my colleagues, here we go again, a higher spending, higher taxes, and people don't think there is a difference between the two major political parties. One only has to look at what's happened so far this year. We have the continuing resolution that was passed in February, there was \$6 billion worth of excess spending in it.

Now we have got an emergency supplemental to fund our troops in Afghanistan and Iraq that has another \$22 billion worth of excess spending in it. If you look at the discretionary spending levels in this budget for this next fiscal year, we have another \$22 billion worth of additional spending that's outlined.

Now if that's not bad enough, we are only 4½ months into this calendar year, and my friends across the aisle have authorized an additional \$62.5 billion of additional spending. How much spending and how many taxes do we want to impose on the American people?

We all know that the tax cuts of 2001 and the tax cuts of 2003 have led us to one of the most robust economies that we have seen in our history. Why? Because we lowered tax rates, we gave people reasons to invest in our economy. Jobs were created, 5 million new jobs were created, more people were earning money, raising their families, paying their bills, and, guess what else they are doing? They are also paying more in taxes.

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That is why revenues to the Federal Government over the last 3 years have increased at over 12 percent per year. They are likely to do the same again this year if we don't impose upon this

economy the largest tax increase in American history. It is coming. There is \$200 billion worth of tax increases needed to fill this hole. There is this reserve fund, all these promises: If we can raise taxes somewhere, we will give you this extra spending. And so we are going to see the largest tax increase in our Nation's history once again.

I was listening to this debate earlier in my office and I began to ask myself, what is the essence of this? Let me go back to the 1970s.

I grew up in a household with 11 brothers and sisters; my dad owned a bar, and we were Democrats, all of us. And I remember starting a new business in 1975; I remember paying taxes. I remember not owing many taxes because I was starting a new business. But in 1978, as my small business was beginning to grow, the top tax rate in our country was 70 percent. That means 70 cents out of every dollar over that minimum, which was about \$75,000, 70 cents of every dollar I got to give to the Federal Government. That is when I began to realize that maybe I wasn't a Democrat any longer.

Here I was trying to grow a small business; I was a subchapter S, so everything that my business made, I had to pay taxes on personally. That meant I could only leave 30 cents of every dollar in my business to help make it grow. And even under those tax rates that were suffocating, I was able to succeed.

But let's think about the last 25 years. When Ronald Reagan got elected in 1980, in 1981 in a bipartisan way we started a process of lowering tax rates. Over the last 25 years, by and large we have lowered tax rates dozens of times, only a couple of bumps, a couple increases along the way. The result of all of that over the last 25 years has been a growing economy. Better jobs in America, more jobs in America, and more revenues to the Federal Government. It is a prescription that has worked.

Look again at the 2003 and the 2001 tax cuts. We reduced tax rates, and the result was more investment, more jobs, and more revenue to the Federal Government.

Now, at some point there is a point of diminishing returns, but I will suggest to all of you that we are nowhere close to it yet.

Ladies and gentlemen, I became a Republican and I came to Congress because I thought that we paid too much in taxes and that government was too big. The heart and core of who I am and why I am here is to fight for a smaller, less costly, more accountable government here in Washington, D.C. This budget represents every reason that I decided to become a Republican, and every reason I decided to come to Washington and to do something about it.

The big difference is simple right here. My friends across the aisle believe that government knows best what to do with the American people's

money. More of my colleagues on my side believe that the money that the American people earn is theirs, and that they can make better decisions on behalf of themselves and their family and their future if we allow them to keep more of the hard-earned money that they make.

I can't just sit back and be quiet about higher taxes and higher spending. This is the largest tax increase in American history. This will in fact disinvest money from our economy, will put people out of work, and put us on a path to higher deficits.

And if the largest tax increase in American history isn't the saddest part of this bill, I will tell you what it is: No entitlement reform.

There is an economic tsunami coming at us; it is Social Security, it is Medicare, and it is Medicaid. And while Republicans over the last years have made several attempts and made some changes, and I would argue not nearly as many changes as we should have, there is no entitlement reform in this bill. That means that the amount of debt that will build up over the next 5 years, as outlined in this budget, will far surpass the debt that accumulated over the last 5 years.

You all know what is happening. There is not a Member in this Chamber that doesn't understand that if we don't deal with entitlement our kids and our grandkids can never afford the benefits that we have promised ourselves. We can look the other way, we can act like it doesn't exist, but we have made promises to ourselves as baby boomers that our kids and grandkids can't afford. And yet, we see the tsunami coming at us, we can measure it; we can measure the speed and the size of it, and yet we do nothing about it.

My colleagues, this is not the direction that I believe we should go in. I would ask all my colleagues to stand up and do the right thing and to say "no" to this budget resolution.

Mr. SPRATT. Mr. Speaker, I yield myself the balance of my time.

Mr. Speaker, this is a good budget. I would be the first to say it is not a perfect budget, but I would be the first to argue that it is worthy of our support.

Indeed, I think it requires our support if we don't want to see the budget process fail abjectly once again, as it did last year under Republican control when no concurrent budget resolution was ever enacted, passed, and only two of 11 appropriation bills were passed.

The bottom line, this budget moves us to balance over the next 5 years. Along the way, it posts smaller deficits than the President proposes, it adheres to the pay-as-you-go principle, which is the rule of this House, contains no new mandatory spending that is not paid for, and it funds five program integrity initiatives to root out wasteful spending and fraud and tax evasion.

Within this framework, it does more for veterans health care, far more, more for children's health care, far

more, and more for education, lots more.

Here in a nutshell are the basics of the budget: This budget runs to surplus of \$41 billion in the year 2012. Contrast that with the President's budget which is always in deficit. This budget not only abides by pay-as-you-go principles, it enhances them by establishing a new Senate PAYGO rule and calling for reinstatement of the statutory PAYGO rule as well. This budget does all of the above, I will say this emphatically one last time, does all of the above without raising taxes.

The tax cuts that were enacted in 2001 and 2003 remain in full force and effect, unaffected in any way by this budget resolution. As enacted and originally written, most of these tax cuts expire on December 31, 2010, and that has nothing to do with our budget resolution.

But in our budget resolution, we identified all of the middle income tax cuts, many of which we supported at the time passed, and we made it the policy of our resolution to extend these tax cuts when they expire.

In this concurrent resolution, we go even further. We install a trigger that will facilitate the extension of these tax cuts so long as, number one, the House waives PAYGO; and, number two, the tax cuts extended do not exceed 80 percent of the surplus projected by OMB by the year 2012.

This concurrent resolution in other respects sets defense spending levels that the President requested. Why is spending so high? It contains \$145 billion in supplemental expenditures.

And let me say one thing about the argument one of the leaders of the other party made on the House floor just a few minutes ago about the amount of debt that is being added to the national debt. What we are talking about is taking a big battleship and turning it around slowly. We have inherited the basics of this budget. Much of the spending that we are carrying forward was dictated over the last 6 years. The same for the revenue flow of the budget we are undertaking. It is going to take time to turn this big battleship around. But as we do, the best we can do is, number one, have a concurrent budget resolution with the binding effect of budget law for the first time in a long time; and, secondly, this concurrent resolution which will put us back on the path to a balanced budget.

For those for whom a balanced budget is something of a moral imperative because of the debt we are leaving our children, the right vote today, the only vote today is the vote for this budget resolution, and I commend it to every Member of this House, Democrat and Republican, and urge their support.

Mr. CONYERS. Mr. Speaker, today is a historic day. After years of rising deficits and draconian Republican budgets, the vote on the Budget Conference Report finally puts us on the right course. The Democratic budget will take America in a new direction by funding na-

tional priorities such as health care services, educational programs, and veterans services while providing middle class tax assistance. The Democratic budget rejects the Administration's attempts to cut funding to many social programs that support American children and families such as State Children's Health Insurance Program (SCHIP), Pell grants, Medicare, and Medicaid. This forward looking budget will help all Americans progress towards social and economic security.

The Democratic budget will also provide tax relief for middle-income workers and will extend popular tax credits such as the child tax credit, marriage penalty relief, and more deductions for state and local sales taxes.

After our troops have defended our great country, we need to give our servicemen and veterans the best possible health care. The budget provides sufficient funds to treat traumatic injuries and improve health care facilities for veterans, as well as to treat the more than twenty-six thousand service members who have been wounded in Iraq and Afghanistan. Funding measures to veterans healthcare is a well deserved and necessary expense providing \$3.6 billion above the President's proposal.

Mr. Speaker, many Americans have economic concerns, and are seeking leadership from us, the people's House, the United States Congress. After six years of misplaced priorities, the Democratic budget resolution seeks to provide services and support that are essential to the well-being of the American people; millions who are hard working tax paying citizens that deserve some well justified and reasonable assistance. This legislation is clearly the people's budget.

Mr. HOLT. Mr. Speaker, a budget is a moral document that demonstrates our values and priorities. This budget Conference Report, brought to us by Chairman JOHN SPRATT represents values I can be proud of. This budget makes real investments in education, healthcare, housing and research and development while bringing the budget back to surplus by 2012.

At a time when more than ten percent of students drop out of high school before graduating and only four out of ten children eligible for Head Start are able to participate, this budget reverses the Administration's policy of under-investing in education for our children. The budget rejects the President's proposal to cut funding for the Department of Education by \$1.5 billion below the 2007 enacted level and to eliminate 44 entire programs. It instead provides for substantial new investments in vital programs such as Head Start, special education (IDEA), Title I and other programs under the No Child Left Behind Act. The bill also funds an increase in Pell Grants so that high school students will know that if they work hard, they can go to college.

The budget rejects the President's proposal to cut funding for the Community Development Block Grant program by \$1.1 billion below last year's level, and instead provides for the first CDBG increase since 2005. The cut advocated by the President would endanger job creation, economic development, and affordable housing efforts, cutting CDBGs for nearly 1,200 state and local governments.

This budget rejects the President's proposal to cut Child Care Development Block Grants and Social Services Block Grants by \$520 million below the 2007 level. The President's

budget would lead to a decline in valuable assistance for child care that allows many working parents to earn a living. The Conference Report would allow for the first increase in this funding since 2002.

Further, knowing that we now have more uninsured Americans than six years ago, this budget blocks the President's proposed cuts to Medicare and Medicaid. These cuts would have made healthcare less affordable and accessible for millions of Americans. This budget ensures that up to \$50 billion over the next five years will be devoted to the State Children's Health Insurance Program (SCHIP) so that millions of uninsured children can be covered. New Jersey is a national leader in covering children through the SCHIP program and this additional funding is desperately needed to ensure our state's good work, and that of other states, can continue.

This budget reverses the President's dangerous cuts to our nation's first responders. What sense would it make to cut the Local Law Enforcement Terrorism Prevention program, Firefighter assistance grants, Byrne Justice Assistance Grants, or the Community Oriented Policing Services (COPS) program? Our budget stands up for first responders and ensures that each of the programs receives appropriate levels of funding.

Mr. Speaker, I commend Mr. SPRATT and the Budget Committee conferees for demonstrating that we can provide for our nation's defense in a responsible way—both fiscally and from a policy standpoint. This budget will provide \$507 billion in Department of Defense budget authority, an \$18 billion increase over the President's request. This budget also emphasizes the right priorities for meeting our security needs.

For example, this resolution opposes TRICARE fee increases and calls for a substantial increase in the veterans' health care system. The budget resolution notes the upcoming recommendations of the President's Commission on Care for America's Returning Wounded Warriors and other government investigations in connection with the Walter Reed scandal, and allows funds for action when those recommendations are received. To help protect our nation from a terrorist-sponsored nuclear attack, non-proliferation programs such as the Cooperative Threat Reduction program are given greater priority and higher funding.

This budget also helps us keep our promises to our nation's veterans. I'm pleased the committee has recommended increasing discretionary funding for the Department of Veterans Affairs from \$36.5 billion to \$43.1 billion—a \$6.6 billion (18.1%) increase over FY07, and a \$3.5 billion increase (8.9%) over the Administration request for FY08. This budget provides a far more realistic spending plan than the President's proposal. Our proposed increase in this area will help meet critical needs, including ensuring that medical inflation does not erode VA's ability to deliver quality health care to our veterans.

In order to maintain American competitiveness, we must make substantial investments in scientific research and education. The budget provides funding for initiatives to educate new scientists, engineers, and mathematicians in the next four years, and places more highly-qualified teachers in math and science K-12 classrooms. It makes critical investments in basic research, putting us on the

path to doubling funding for the National Science Foundation, and bolstering investments in research and development throughout the budget.

America's dependence on oil endangers our environment, our national security, and our economy. A sustained investment in research and development is crucial to creating cutting-edge technologies that allow us to develop clean, sustainable energy alternatives and capitalize on America's vast renewable natural resources. The budget provides increased funding for basic and applied energy research.

For the first time in 6 years, the Budget Resolution reflects a real commitment to protecting our most valuable natural resources by providing needed funding for our National Parks, the Land and Water Conservation Fund, and the national wildlife refuge system. H. Con. Res. 99 provides a total of \$31.4 billion for environmental programs, which is \$2.6 billion more than the President's request. I have been an advocate for the Land and Water Conservation Fund since I came to Congress eight years ago and I am pleased that we are finally at a place where the budget includes adequate funding for both the state-side grant program and the federal program. LWCF and the Forest Legacy program have done tremendous work in states across the country, including New Jersey, to protect open space, restore wetlands, and conserve forests lands. In the face of mounting evidence on the perilous state of our environment, it continues to amaze me why President Bush continues to turn a blind eye to our growing needs in this area. Finally, we have a budget that realizes how important this investment is to preserving our natural resources and promoting conservation.

This budget achieves all of these objectives and investments without an increase in taxes. The budget would accommodate immediate relief for the tens of millions of middle income households who would otherwise be subject to the Alternative Minimum Tax (AMT), while supporting the efforts of the Committee on Ways and Means to achieve permanent, revenue-neutral AMT reform. Unless the AMT is reformed, 19 million additional families will have to pay higher taxes in 2007. The budget would also accommodate extension of other middle-income tax relief provisions, consistent with the Pay-As-You-Go principle that include: the child tax credit, marriage penalty relief, the 10 percent bracket, and the deduction for state and local sales taxes.

The past 6 years of fiscal irresponsibility have caused America's national debt to increase by 50 percent, an amount of nearly \$9 trillion, or \$29,000 for every American. Our ability to invest in the Nation's shared priorities is constrained by the cost of the debt run up over the last 6 years, when the administration and its partners in previous Congresses turned the largest surplus in American history into a record debt. About 75 percent of America's new debt has been borrowed from foreign creditors such as China, making our fiscal integrity a matter of national security. Over the last 6 years, President Bush has borrowed more money from foreign nations than the previous 42 U.S. Presidents combined.

Mr. Speaker, this budget reflects values that we can all be proud of. It meets the basic needs of Americans, invests in priorities important to our future while putting us on the path to fiscal responsibility. I ask my col-

leagues to vote for the Budget Conference Report.

Mr. UDALL of Colorado. Mr. Speaker, I support this conference report because it will begin the process of changing our budgetary course. While it is not identical to the version passed by the House earlier this year, like that resolution it is clearly preferable to budgets adopted by the House in previous years.

For the 6 years before the convening of this 110th Congress, the administration and the Republican leadership insisted on speeding ahead with misguided fiscal and economic policies. Ignoring all warning lights, they plowed ahead, taking us from projections of surpluses to the reality budgets deep in deficit and heaping higher the mountain of debt that our children will have to repay.

Many of us said it was urgent to stop persisting in that error and voted for alternatives, including those proposed by the Blue Dog Caucus.

But year after year our Republican colleagues insisted on taking their marching orders from the White House, moving in lock-step to endorse the Bush administration's insistence that its economic and fiscal policies must continue without change.

I admired their discipline, but I could not support their insistence on driving us deeper into the swamp of fiscal irresponsibility that has left a debt burden of more than \$30,000 for a typical middle-income family of four in Colorado.

But that was then—and now, in this new Congress under new management, by passing this conference report we can begin to undo the damage they have done. The conference report is better in its fiscal responsibility and in its priorities.

It follows the tough "pay as you go" budget rules to begin to reverse the budget deficits and to put us onto the path to a balanced budget. And under this plan, by 2012, domestic discretionary funding would fall to the lowest level, as a share of the economy, in at least a half century while spending as a percentage of GDP will be lower in 2012 than it has been in any budget adopted under President Bush—1 percent lower than it will be this year and lower than it has been in any year since 2001.

Despite assertion by its critics, the conference report does not include any tax increases. To the contrary, it supports tax relief that would benefit the middle class—including extension of the child tax credit, 10 percent bracket, and marriage penalty relief—and provides for estate tax reform.

And it provides for immediate Alternative Minimum Tax relief, preventing more than 20 million middle-class taxpayers from being hit by the tax. This is important because while in 2004 only 32,000 Colorado families were subject to the AMT, if nothing is done, this year that number will rise to 234,000 families in Colorado and hundreds of thousands more in other States.

At the same time, it takes steps to crack down on wasteful or fraudulent spending in Social Security, Medicare, and Unemployment Insurance programs and it supports actions to collect unpaid taxes as well as providing additional resources to reduce claims backlogs in the Veterans Administration, Social Security Administration, and other agencies.

Further, it directs House committees to identify wasteful and lower priority spending that

can be cut. As a member of the Armed Services Committee, I am particularly glad to note that the conference report is also realistic and responsible about the need to maintain our national defense and honor our promises to our troops and veterans.

In addition to meeting the needs of the active-duty force, it allows for increasing funding for veterans' health care and services by \$6.7 billion above the 2007 enacted level, and \$3.6 billion above the President's budget.

This is a priority for me, because it will help ensure that the 427,957 veterans in Colorado receive care worthy of their sacrifice. It is also critical for the 17,419 Coloradans, who have served their country in Afghanistan and Iraq since September 2001, many of whom will need VA health care services.

It also provides more funding for urgent homeland security needs and to implement the 9/11 Commission recommendations. In doing so, it rejects cuts to vital first responder and terrorism prevention programs that would happen if we adopted the President's budget for fiscal 2008.

Like the House-passed version, it recognizes the importance of research, development, and education in keeping our economy strong and our country secure. As a member of the Science and Technology Committee and chairman of its Subcommittee on Space and Aeronautics, I am particularly supportive of it for that reason—and as one of the Chairs of the Renewable Energy and Energy Efficiency Caucus, I welcome its support for research and development of renewable and alternative energy technologies.

As for education, the conference report allows for substantially more funding for helping Colorado's public elementary, middle and high schools educate the 768,600 children now enrolled, with more resources to implement the No Child Left Behind Act, special education and Head Start. By contrast, if we followed the President's budget, 31,296 Colorado children would not receive promised help in reading and math and the Head Start program—which serves 9,820 Colorado children—would be cut by 1.5 percent below the 2007 level.

These investments to a growing economy for America's families are needed because, according to the Census Bureau, family income in Colorado has dropped by \$4,041 since 2000, while health care and energy prices are climbing. But still more is needed.

So, I am glad that the conference report provides for increasing funding for State Children's Health Insurance Program (SCHIP)—to help cover the 176,230 of Colorado's children who do not have health insurance. And because it is so important for Colorado's ranchers, farmers, and rural communities, I strongly support the part of the conference report that supports policies to strengthen the farm bill's economic benefits.

Mr. Speaker, I can understand why the Bush Administration does not like this conference report. After all, it rejects the Administration's misguided priorities. But it's disappointing that so many of our Republican colleagues still are so willing to unquestioningly follow the President's lead. And, while I suppose it's to be expected, it's particularly unfortunate that they have decided to attack this conference report by resorting to recycling the old, tired and false claim that it is "the largest tax increase in history."

But the facts are otherwise. The conference report does not affect the top-heavy tax cuts

the Bush administration and the Republican leadership pushed through since 2001—they remain in place as they stand, which means they will not expire for 4 years.

I did not vote for all of those tax cuts, but I did support some that are most important for middle-income Coloradans. So, I am glad that the conference report provides for extensions of those in 2011, including an extension of the child tax credit, marriage penalty relief, and the ten percent individual income tax bracket. And when the rest of the tax cuts come up for reconsideration, Congress can and should consider whether to extend them, as they are now or in modified form.

I support that approach, which is quite different from the alternative approach that would have been taken by the Republican alternative that the House rightly rejected earlier this year. It would have insisted on locking in all of the Bush tax cuts—the ones I did not support as well as those I did—and would have put top priority on making them all permanent.

I did like some things in the Republican alternative—including a constitutionally-sound line-item veto similar to my Stimulating Leadership in Cutting Expenditures (“SLICE”) legislation—but overall I thought it was not a responsible approach and I could not support it, just as I could not support the other alternatives debated in the House.

Regarding one of those alternatives, in reviewing the formal record of rollcall 209, the vote on the Kilpatrick substitute, I found I am recorded as having voted “yes.” However, I had intended to vote “no,” and my recollection is that I did vote “no.”

Unlike all those alternatives, and like the resolution passed by the House, this conference report is well balanced in its combination of fiscal responsibility and refocusing priorities. I will support it and I urge its approval by the House.

Mr. FOSSELLA. Mr. Speaker, I rise today in opposition to this budget, which significantly raises taxes on the American people. The Conference Report represents an enormous tax increase on hard-working American families—families that cannot afford to send more of their money for politicians and bureaucrats to spend.

My staff analyzed the original House budget resolution and determined that it would cost an average family on Staten Island or Brooklyn nearly \$4,000 more a year in Federal taxes. My friends across the aisle hail this resolution because they say it raises taxes less than the budget Resolution—as if that is an achievement to be proud of. The simple truth is that this Budget still raises taxes when we should instead be working to reduce them.

In fact, the reduced tax increase is only achieved if certain triggers are hit—triggers that are based on projected surpluses. But you don’t need a degree in economics to know that surpluses will only be hit by restraining spending, which this Resolution most certainly does not do.

How are we supposed to have a surplus large enough to avoid raising taxes when this Resolution does nothing to reign in spending—and also includes hundreds of billions of dollars in new spending without proper offsets? The math does not add up.

I cannot support a budget resolution that will ultimately cost families on Staten Island and Brooklyn \$4,000 more every year in Federal taxes or a New York City Police Officer \$1,300

more, a New York City public school teacher \$1,500 more, and a New York City Firefighter \$2,000 more.

The other side claims to support a “Pay As You Go” system when, in reality, this budget Resolution amounts to “Buy Now, Pay \$400 Billion More in Taxes Later.”

I urge my colleagues to vote against what is one of the largest tax increases—if not the largest tax increase—in American history.

The SPEAKER pro tempore. All time for debate has expired.

Without objection, the previous question is ordered on the conference report.

There was no objection.

The SPEAKER pro tempore. The question is on the conference report.

Pursuant to clause 10 of rule XX, the yeas and nays are ordered.

The vote was taken by electronic device, and there were—yeas 214, nays 209, not voting 10, as follows:

[Roll No. 377]

YEAS—214

Abercrombie	Giffords	Michaud
Ackerman	Gillibrand	Miller (NC)
Allen	Gonzalez	Miller, George
Altmire	Gordon	Mollohan
Andrews	Green, Al	Moore (KS)
Arcuri	Green, Gene	Moore (WI)
Baca	Grijalva	Moran (VA)
Baldwin	Gutierrez	Murphy (CT)
Becerra	Hall (NY)	Murtha
Berkley	Hare	Nadler
Berman	Hastings (FL)	Napolitano
Berry	Herseth Sandlin	Neal (MA)
Bishop (GA)	Higgins	Oberstar
Bishop (NY)	Hinche	Obey
Blumenauer	Hinojosa	Olver
Boswell	Hirono	Ortiz
Boucher	Hodes	Pallone
Boyd (FL)	Holden	Pascarell
Boyd (KS)	Holt	Pastor
Brady (PA)	Honda	Payne
Braley (IA)	Hooley	Pelosi
Brown, Corrine	Hoyer	Perlmutter
Butterfield	Insee	Peterson (MN)
Capps	Israel	Pomeroy
Capuano	Jackson (IL)	Price (NC)
Cardoza	Jackson-Lee	Rahall
Carnahan	(TX)	Rangel
Carney	Jefferson	Reyes
Carson	Johnson (GA)	Rodriguez
Castor	Johnson, E. B.	Ross
Chandler	Kagen	Rothman
Clarke	Kanjorski	Roybal-Allard
Clay	Kaptur	Ruppersberger
Cleaver	Kennedy	Rush
Clyburn	Kildee	Ryan (OH)
Cohen	Kilpatrick	Salazar
Conyers	Kind	Salanchez, Linda
Cooper	Klein (FL)	T.
Costa	Lampson	Sanchez, Loretta
Costello	Langevin	Sarbanes
Courtney	Lantos	Schakowsky
Cramer	Larsen (WA)	Schiff
Crowley	Larson (CT)	Schwartz
Cuellar	Lee	Scott (GA)
Cummings	Levin	Scott (VA)
Davis (AL)	Lewis (GA)	Serrano
Davis (CA)	Lipinski	Sestak
Davis (IL)	Loeb sack	Shea-Porter
Davis, Lincoln	Lofgren, Zoe	Sherman
DeFazio	Lowe	Sires
DeGette	Lynch	Skelton
DeLaHunt	Mahoney (FL)	Slaughter
DeLauro	Maloney (NY)	Smith (WA)
Dicks	Markey	Snyder
Dingell	Matsui	Solis
Doggett	McCarthy (NY)	Space
Doyle	McCollum (MN)	Spratt
Edwards	McDermott	Stupak
Ellison	McGovern	Sutton
Emanuel	McIntyre	Tanner
Eshoo	McNerney	Tauscher
Etheridge	McNulty	Thompson (CA)
Farr	Meehan	Thompson (MS)
Fattah	Meek (FL)	Tierney
Filner	Meeks (NY)	Towns
Frank (MA)	Melancon	Udall (CO)

Udall (NM)  
Van Hollen  
Velázquez  
Visclosky  
Walz (MN)  
Weiner  
Wasserman  
Schultz

Waters  
Watson  
Watt  
Waxman  
Weiner  
Welch (VT)  
Wexler

Wilson (OH)  
Woolsey  
Wu  
Wynn  
Yarmuth

NAYS—209

Aderholt	Frelinghuysen	Myrick
Akin	Gallegly	Neugebauer
Alexander	Garrett (NJ)	Nunes
Bachmann	Gerlach	Paul
Bachus	Gilchrest	Pearce
Baker	Gillmor	Pence
Barrett (SC)	Gingrey	Peterson (PA)
Barrow	Gohmert	Petri
Bartlett (MD)	Goode	Pickering
Barton (TX)	Goodlatte	Pitts
Bean	Granger	Platts
Biggert	Graves	Poe
Bilbray	Hall (TX)	Porter
Bilirakis	Hastert	Price (GA)
Bishop (UT)	Hastings (WA)	Pryce (OH)
Blackburn	Hayes	Putnam
Blunt	Heller	Radanovich
Boehner	Hensarling	Ramstad
Bonner	Herger	Regula
Bono	Hill	Rehberg
Boozman	Hobson	Reichert
Boren	Hoekstra	Renzi
Boustany	Hulshof	Reynolds
Brady (TX)	Hunter	Rogers (AL)
Brown (SC)	Inglis (SC)	Rogers (KY)
Brown-Waite,	Issa	Rogers (MI)
Ginny	Jindal	Rohrabacher
Buchanan	Johnson (IL)	Ros-Lehtinen
Burgess	Johnson, Sam	Roskam
Burton (IN)	Jones (NC)	Royce
Buyer	Jordan	Ryan (WI)
Calvert	Keller	Sali
Camp (MI)	King (IA)	Saxton
Campbell (CA)	King (NY)	Schmidt
Cannon	Kingston	Sensenbrenner
Cantor	Kirk	Sessions
Capito	Kline (MN)	Shadegg
Carter	Knollenberg	Shimkus
Castle	Kucinich	Shuler
Chabot	Kuhl (NY)	Shuster
Coble	LaHood	Simpson
Cole (OK)	Lamborn	Smith (NE)
Conaway	Latham	Smith (NJ)
Crenshaw	LaTourrette	Smith (TX)
Culberson	Lewis (CA)	Souder
Davis (KY)	Linder	Stearns
Davis, David	LoBiondo	Sullivan
Davis, Tom	Lucas	Tancred
Deal (GA)	Lungren, Daniel	Taylor
Dent	E.	Terry
Diaz-Balart, L.	Mack	Thornberry
Diaz-Balart, M.	Manzullo	Tiahrt
Donnelly	Marchant	Tiberi
Doolittle	Marshall	Turner
Drake	Matheson	Upton
Dreier	McCarthy (CA)	Walberg
Duncan	McCaul (TX)	Walden (OR)
Ehlers	McCotter	Walsh (NY)
Ellsworth	McCreery	Wamp
Emerson	McHenry	Weldon (FL)
English (PA)	McHugh	Weller
Everett	McKeon	Westmoreland
Fallin	Mica	Whitfield
Feeney	Miller (FL)	Wicker
Ferguson	Miller (MI)	Wilson (NM)
Flake	Miller, Gary	Wilson (SC)
Forbes	Mitchell	Wolf
Fortenberry	Moran (KS)	Young (AK)
Fossella	Murphy, Patrick	Young (FL)
Fox	Murphy, Tim	
Franks (AZ)	Musgrave	

NOT VOTING—10

Baird	Harman	McMorris
Cubin	Jones (OH)	Rodgers
Davis, Jo Ann	Lewis (KY)	Shays
Engel		Stark

□ 1601

Mr. GOHMERT and Mrs. BACHMANN changed their vote from “yea” to “nay.”

So the conference report was agreed to.

The result of the vote was announced as above recorded.

# EXPRESSING APPRECIATION TO COMMITTEE ON THE BUDGET STAFF

(Mr. SPRATT asked and was given permission to address the House for 1 minute.)

Mr. SPRATT. Mr. Speaker, I speak for myself, as the chairman of the Budget Committee, and for Mr. RYAN, as the ranking member, expressing our appreciation to our staff, who have done a marvelous job on both sides of the aisle in working together on this budget resolution that ultimately prevailed today.

I place into the RECORD the names of the staffers who have been key participants in the effort on our side of the aisle.

## HOUSE BUDGET COMMITTEE STAFF

Tom Kahn  
Sarah Abernathy  
Ellen Balis  
Arthur Burris  
Linda Bywaters  
Barbara Chow  
Marsha Douglas  
Stephen Elmore  
Chuck Fant  
Jose Guillen  
Jennifer Hanson-Kilbride  
Chris Long  
Sheila McDowell  
Richard Magee  
Diana Meredith  
Mark Middaugh  
Gail Millar  
Morna Miller  
Namrata Mujumdar  
Ifeoma Okwuje  
Kimberly Overbeek  
Kitty Richards  
Diane Rogers  
Scott Russell  
Nicole Silver  
Naomi Stem  
Meaghan Strickland  
Lisa Venus  
Greg Waring  
Andrea Weathers  
Jason Weller

## LEADERSHIP STAFF

Ed Lorenzen  
Wendell Primus

# PERMISSION TO REDUCE TIME FOR ELECTRONIC VOTING DURING CONSIDERATION OF H.R. 1427, FEDERAL HOUSING FINANCE RE- FORM ACT OF 2007

Mr. SPRATT. Mr. Speaker, I ask unanimous consent that, during consideration of H.R. 1427, pursuant to House Resolution 404, the Chair may reduce to 2 minutes the minimum time for electronic voting under clause 6 of rule XVIII and clauses 8 and 9 of rule XX.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from South Carolina?

There was no objection.

## GENERAL LEAVE

Mr. FRANK of Massachusetts. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend

their remarks on H.R. 1427 and to insert extraneous material thereon.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

## FEDERAL HOUSING FINANCE REFORM ACT OF 2007

The SPEAKER pro tempore. Pursuant to House Resolution 404 and rule XVIII, the Chair declares the House in the Committee of the Whole House on the state of the Union for the consideration of the bill, H.R. 1427.

□ 1608

## IN THE COMMITTEE OF THE WHOLE

Accordingly, the House resolved itself into the Committee of the Whole House on the state of the Union for the consideration of the bill (H.R. 1427) to reform the regulation of certain housing-related Government-sponsored enterprises, and for other purposes, with Mr. Ross in the chair.

The Clerk read the title of the bill.

The CHAIRMAN. Pursuant to the rule, the bill is considered read the first time.

The gentleman from Massachusetts (Mr. FRANK) and the gentleman from Alabama (Mr. BACHUS) each will control 30 minutes.

The Chair recognizes the gentleman from Massachusetts.

Mr. FRANK of Massachusetts. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I want to begin by again asking the indulgence of the House for my less than usual sartorial splendor, but the cast on my left arm would misalign my jacket, and I wouldn't want to wear a suit unless I could do it full justice. So I am wearing a sweater that Mr. ROGERS no longer needs.

The bill before us today is a version of a bill that came before this House in October of 2005 after a lot of work by the former chairman, the gentleman from Ohio (Mr. OXLEY), and many of us now on the committee. That bill passed the House by a vote of 331-90. Many of those who voted in opposition, myself included, were motivated to it by a specific provision regarding the affordable housing fund that is no longer in the bill.

Mr. Chairman, the bill has two major components. First, it significantly increases the strength of the regulator of the two major Federal housing government-sponsored enterprises, Fannie Mae and Freddie Mac. It also deals with the Federal Home Loan System. That was seen as less in need of drastic change. There is, in fact, less change there. There will be an amendment regarding that offered by the gentleman from Pennsylvania (Mr. KANJORSKI), which I strongly support, to increase public participation in that system. But this is a bill fundamentally about Fannie Mae and Freddie Mac.

There is general agreement among a wide range of parties that this bill,

building on the bill that Mr. OXLEY brought to the floor, does do what needs to be done in creating a strong regulator. There are some controversial elements here, but very few deal with the powers of the regulator that we have set up. And I am pleased that the Treasury Department, Under Secretary Paulson and Under Secretary Steel, has agreed. In fact, this is a bill which, with regard to regulation and the regulator, is a little bit stronger than the one we passed a few years ago. We had some negotiations. They were useful, and we have a fully empowered regulator here, independently funded and empowered to do whatever needs to be done to deal with any safety and soundness issues that arise from Fannie Mae and Freddie Mac.

The most controversial areas of the bill involve a provision that was also in the bill when it last passed, and that is an affordable housing fund. A number of people have argued over the years that Fannie Mae and Freddie Mac receive from the Federal Government advantages which help them borrow money cheaply in the market, and that is true. There is a connection between Fannie Mae and Freddie Mac and the Federal Government. Those who borrow that money thinking that the Federal Government guarantees it are wrong. There is no Federal guarantee implicit, explicit, or any other way. But it is the case that the market does see these entities in a very favorable light and lends them money at a somewhat lower rate than other entities can borrow. The reason for its having been set up that way was to try to help housing, especially home ownership because these entities buy the mortgages and help bring down the cost of mortgages, but they have also been given for years goals by the law where they are particularly to help lower income housing.

Now, a number of people have argued over the years that Fannie Mae and Freddie Mac's shareholders, and in the past some of their executives, received too large a share of those benefits. The argument was, with some accuracy, that Fannie Mae and Freddie Mac benefited very much and not enough of that reached the public.

There are two ways you could deal with that. You could reduce the benefits that Fannie Mae and Freddie Mac get. Some people have advocated that. Alternatively, you could do what this bill does: leave the existing situation which provides some benefits to them but increase the share of those benefits that go for public purposes. We do that in two ways in this bill: First of all, and this does not appear to be terribly controversial, Fannie Mae and Freddie Mac have statutorily imposed goals. Some people have said these are private corporations and you shouldn't tell them what to do. Well, we have been doing that for a very long time. They are told that they must, in purchasing mortgages in the secondary market, make certain purchases that