

It begins at home when we realize medical research is important for all of us. None of us knows what tomorrow may bring. We want to know if we are stricken, or someone in our family, we can count on the best minds in America looking for the cures. The President says we can't afford that. He is going to veto it.

Shortly, we will vote on something called the Water Resources Development Act, \$23 billion over 5 years and \$23 billion is a lot of money. How does it compare with the war that costs us \$12, maybe \$15 billion a month? The \$23 billion for water resources development is money invested in America to build our infrastructure, the levees, the locks and dams, the things that are critical for America to function and succeed. The President says we can't afford that. He vetoed the bill. I hope we override it.

In the meantime, I hope the Labor-HHS bill, the one that includes money for No Child Left Behind and medical research, is a bill the President will reconsider and sign. If he does not, I hope on a bipartisan basis we will override that veto as well.

This President, for 6 years, never discovered his veto pen. Now he has found it. He has used it to veto our efforts to change direction in the policy in Iraq. He has used it twice to veto stem cell research to fund cures for diseases which threaten Americans and their families. He has used it to veto the Children's Health Insurance Program. He now threatens to use it to veto money for our schools. A pattern is emerging. This President, when he gets up in the morning and looks out the window of White House, sees Iraq. He does not see America and the American families who count on us, those families going to work every day who don't have health insurance for their children, those families sending their kids to school who are disappointed with test scores and believe their kids can do better and we can do better, and those families who want the American economy to be strong, creating good-paying jobs here at home that cannot be outsourced.

The President's veto pen is defining his Presidency. As it comes to a close, it is telling us his priorities. His priority is a war, a war that has cost us over \$500 billion and, even more importantly, almost 3,900 American lives. America's priorities are not only to be safe and secure but also to make sure this economy grows and the people in America striving for opportunity and for a better day tomorrow have a chance through the programs we are supporting in this legislation.

I yield the floor.

The PRESIDING OFFICER (Mr. AKAKA). The Senator from South Dakota is recognized.

Mr. THUNE. Mr. President, I ask unanimous consent to speak as in morning business.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. THUNE. Mr. President, I have been listening with interest to my colleagues from New Hampshire and Illinois talk about tax cuts and pay-go and all those issues we deal with on a daily basis. It strikes me that the thing that seems to get lost by our colleagues on the other side when it comes to reducing taxes is that when you reduce taxes, you actually get not less government revenue but more. History has proven that. It has proven it time and time again, going back in the 1920s under Harding, the 1960s under Kennedy, the 1980s under Reagan, and currently. If you look at what has happened, when you reduce the marginal income tax rate and the capital gains tax rate, you actually not only see the job growth we have seen—as my colleague from New Hampshire noted, 8.7 million new jobs—22 consecutive quarters of economic growth, lowest unemployment numbers in a generation, but you also see a dramatic increase in Government revenues.

It was predicted, at the time of the tax cuts in 2001 and 2003, that all this money was going to be lost because somehow the Government wasn't going to have enough money to do things because we were going to reduce the tax burden on the American people. What has happened is the exact opposite, which has been a historical fact, that when you reduce taxes on hard-working people, they take the realization of paying less taxes, they reinvest that, create more jobs, and you get more Government revenue.

If we look at the last several years, we have seen Government revenues coming into the Treasury increasing 12 percent, 13 percent, this year 9 percent, at least the last numbers I had. But the fact is, revenues have been going up. We reduced the tax burden on the American people. Everybody says: But it just helped those on the wealthy end of the income spectrum. Again, I submit that when you reduce marginal income tax rates, as we did, everyone on the income scale benefits. People on the lowest income scale went from a 15-percent marginal income tax rate down to 10. They benefited directly as a result of the tax relief enacted by the Republican majority.

Frankly, this is a philosophical debate that goes on in the Congress year after year after year, but we happen to believe that when you allow the American people to keep more of what they earn, allow them to invest that in their family and their community, you get a much better outcome than when you send your dollars to Washington, DC, and allow the Government to spend it for them. When you allow the American people to put their dollars to work, you create more jobs, grow the economy, and you see the dramatic expansion in Government revenues that we have seen over the past 3 years.

When it comes to the capital gains tax rate, that again has led not to less Government revenues but to about a 65-percent, somewhere in that neigh-

borhood, increase in capital gains tax revenues coming into the Federal Treasury over the period since 2004, when the 2003 tax cuts were enacted. Since that period, we have seen a dramatic increase in capital gains tax revenues.

Everybody can put up their charts and talk statistics, and we have a lot of that in Washington, but you cannot create facts. You are entitled to your opinions but not your own set of facts. In this case, the facts are clear. That is, when you reduce marginal income tax rates and capital gains tax rates, the American people respond. We have seen more Government revenue as a result.

FOCUSING ON IMPORTANT WORK

Mr. THUNE. Mr. President, the clock is ticking on calendar year 2007. There is not a lot of time left. We have a pile-up of legislation that has yet to be enacted. If you look at the accomplishments so far in this first year of the Democratic majority, there has been very little accomplishment and very little in terms of milestones. In fact, if you look at the milestones, they are not milestones you would be very proud of. It seems to me much of the agenda in the Congress in this last year has been about embarrassing the President or creating showdowns with the President or satisfying some liberal special interest group, rather than doing the work of the people. That is the cause of the low approval ratings the American people have of the Congress.

Part of the agenda has been, we have a President whose approval ratings are not that good. Let's see if we can create showdowns with him and try to embarrass the President. The reality is, the President's approval ratings are about three times that of the Congress. One of the reasons the American people have a low opinion of the Congress is because of all the partisan fights and a lack of a record of accomplishment and not focusing on the problems they want to see solved. Those are the challenges and the problems that face this country going forward.

When Congress has an 11-percent approval rating, our colleague, Senator JOHN MCCAIN, says: When you get to that low a level of approval rating, you are talking about paid staff and blood relatives. Regrettably, that is probably the case. But nevertheless, we can change that by focusing on the important work of the American people and actually moving the agenda forward.

By way of example, because I do think numbers are important, I am a big believer in facts and numbers. President Reagan used to quote John Adams who said: Facts are stubborn things. If you look at fiscal year 2008, we have zero spending bills signed into law. In fact, it has been 20 years since we reached this time on the calendar without a single spending bill having been sent to the President for signature. It has been 20 years since it took

this long to confirm an Attorney General. SCHIP is a good example. They knew that was going to be vetoed. It was vetoed. They had the veto override vote and it was sustained. So they came up with a new SCHIP bill which actually spent more money but covered fewer children than the original bill sent to the President.

My point is, many of these initiatives that are being undertaken by our colleagues on the Democratic side are designed to prove a political point, not to solve problems. The American people want us to solve problems, which is precisely why the approval ratings of the Congress are so low.

The Labor-HHS appropriations bill which was passed by this body yesterday is \$9 billion over budget. There are 33 States with operating budgets that are lower than the \$9 billion in overspending contained in the Labor, HHS, and Education appropriations bill that passed the Senate yesterday.

These are some pretty staggering numbers when we think about it. We have \$3 gasoline, oil at \$93 a barrel, and no Energy bill. Again, it is bogged down in the Congress, languishing because of the political bickering going on back and forth.

We have the alternative minimum tax that is going to kick in this year. Only 54 days until 2008, and we still don't have a solution to that. On the other hand, in terms of numbers, we have had 57 votes in the Congress, the House and the Senate, on Iraq. I have to say, because I serve on the Armed Services Committee, what is going on in Iraq and our national security, there is nothing more important when it comes to the role of Government than to protect the American people. But there has been a lot of political debate about Iraq over the course of the past 10 months, much of which was designed to promote showdowns with the President, to create political opportunity for Members on the other side to earn points with liberal interest groups. That is 57 votes on Iraq in the last 10 months at the same time that we don't have an Energy bill, at the same time that we haven't passed a single appropriations bill, that we haven't confirmed an Attorney General, that we have FISA legislation, the lack of passage of which is inhibiting our ability to catch bad people and terrorists trying to do harm to the American people.

These are all numbers and facts that I believe the American people want to see this Congress address, rather than engaging in political arguments that are designed for no other reason than to prove a political point or to embarrass the administration or to satisfy a liberal special interest group.

I submit we still have time. We don't have a lot of time, but it would behoove the Congress and the Democratic leadership in the Senate and House to work together to try to solve the problems the American people care about, rather than engaging in more political arguments, rather than sending the

President bills the Congress knows he is going to veto.

Let's get after some of these more important issues, such as the high cost of energy, passing appropriations bills that control Federal spending and I think adhere to the American people's sense of fiscal responsibility and a belief that the American Congress ought to be responsive to the American people by being responsible in the use of their tax dollars.

So I see our time is winding up in terms of morning business, and I know the WRDA bill is pending before the Senate. We are going to take that up. But I simply hope in the remaining days of this calendar year, 2007, we can actually do something that will create a record of accomplishment for the American people rather than continuing to have the Democrat majority in the Senate trying to make political statements and score political points.

With that, Mr. President, I yield my time.

Mr. LOTT. Mr. President, parliamentary inquiry: What is the time situation now for the body?

CONCLUSION OF MORNING BUSINESS

The PRESIDING OFFICER. If the Senator will withhold, morning business is closed.

WATER RESOURCES DEVELOPMENT ACT OF 2007—VETO

The PRESIDING OFFICER. Under the previous order, the Senate will resume consideration of the veto message on H.R. 1495, which the clerk will report.

The assistant legislative clerk read as follows:

Veto message to accompany H.R. 1495, a bill to provide for the conservation and development of water and related resources, to authorize the Secretary of the Army to construct various projects for improvements to rivers and harbors of the United States, and for other purposes.

The PRESIDING OFFICER. The Senator from Mississippi is recognized.

Mr. LOTT. Mr. President, I ask unanimous consent that the vote on the veto message occur at 11:45, with half of that debate time equally divided between Senators BOXER and INHOFE and the remaining half under the control of the Republican leader.

This has been approved by both sides.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. LOTT. Mr. President, if I could, I will take a couple minutes at this time.

I have been watching the Congress pretty closely now for 35 years as a Member of the House and the Senate, and I have been involved in end of sessions 19 times in the Senate, but I must say, it is about as big a mess as I have ever seen. We are not going to have a single appropriations bill down to the President signed for the whole year, even by the end of this week.

The bill that is on the way, the Labor, Health and Human Services, and Education appropriations bill, which is \$9.8 billion above what the President asked for and has lots of problems, is going to be vetoed, and will be back up here next week. Hopefully, we will find a way before this week is out to pass the Defense appropriations bill so our men and women will know they are going to get the assistance they need, the equipment they need, the protections they need. That would be the first appropriations bill to get to the President that he might actually sign.

It is true right across the board. All year long, it has been about political positioning. It has all been about fighting over Iraq. There are so few things where we have come together and worked together and gotten something produced.

Thank goodness a couple weeks ago we did the Amtrak authorization bill. I have urged, all year long: Let's quit finding issues we can fight over, and let's find some issues we can work together on, get bipartisan agreements on that would help the American people.

I believe, actually, the WRDA bill, the Water Resources Development Act, is one of the few things we can look at and say we did something good for our country and for our constituents this year. It is bipartisan. It has been laboriously developed over the last 5 or 6 years—a long time coming.

It is one of the few areas where we actually do something constructive, where you can see physically something the Federal Government has done. It creates jobs. It provides safety and protection, safe drinking water. It is one of the only bills that I think actually produces a positive result.

I have always been proud of the Corps of Engineers because the Corps of Engineers is one of the few Government entities that actually does something, produces something—something you can see and feel and helps the quality of life. We are always involved in social welfare programs, giveaway programs, and we are always trying to find a way to raise taxes and do things that are not good for our constituents. This one actually does something good.

Sure, there are disagreements. There are some programs in here that probably are not sufficiently justified. I know from past experience, almost every President has opposed this type of bill. I remember Jimmy Carter did not like the Corps of Engineers. We had a fight with him over river projects, water projects, the same thing with George H.W. Bush, the same thing with Bill Clinton. He had people in his administration, in the Office of Management and Budget—oh, they didn't like water resources projects.

Here it is again. The President has vetoed this bill. So I must say, I am not boasting about it, but I have no qualms about saying the President's views notwithstanding, I will vote to override his veto on this legislation.