

It is February 26, 2008, Mr. Speaker, 12,818 days since *Roe v. Wade* first stained the foundation of this Nation with the blood of its own children, and this is in the land of the free and the home of the brave.

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

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

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from Texas (Ms. JACKSON-LEE) is recognized for 5 minutes.

(Ms. JACKSON-LEE of Texas addressed the House. Her remarks will appear hereafter in the Extensions of Remarks.)

THE BUDGET

The SPEAKER pro tempore. Under the Speaker's announced policy of January 18, 2007, the gentlewoman from Tennessee (Mrs. BLACKBURN) is recognized for 60 minutes as the designee of the minority leader.

Mrs. BLACKBURN. Madam Speaker, we are looking forward to spending some time on the floor over the next several months and several weeks and spending some time talking with our colleagues and talking with the American people about the budget.

Everybody hears a lot about the budget and about this budget document that is several hundred pages thick, that it is what directs the spending, and I think that most Americans know that the House of Representatives is basically the keeper of the purse, if you will, for the American public.

Now, some of my colleagues from the Republican Study Committee and I want to make certain that we all understand how this money is spent because we fully believe that the American people have the right to know, they have the right to know and they should know, how their budget gets spent, how those tax dollars get spent because we know, Madam Speaker, this is not the Government's money; it is the taxpayers' money. And we want to shine the light on how those dollars are being spent. We want to break down this process. We want to demystify the process and invite the American people to join us and follow us.

We believe Government spends too much money. We believe that Government never gets enough of your money. They never get enough of the taxpayers' dollars and, indeed, one of my favorite analogies is from one of my favorite plays, "Little Shop of Horrors," and I think we have many Americans who fully believe that the U.S. House of Representatives, the Congress, that the Federal Government, that this big

enormous bureaucracy that liberals have built as a monument to themselves, the bureaucracy never gets enough of the taxpayers' money. It's like Audrey II in "Little Shop of Horrors," never can get enough to eat. And what that bureaucracy wants to just chomp away on every day is your money. It is the taxpayers' money.

So we want to make certain that we spend some time going through this budget process spelling out where those dollars get spent, how the dollars get spent, actually, basically, holding a classroom for our colleagues, spending some time talking about the budget document; talking about the consequences that come with baseline budgeting; talking about what would happen if we went to zero-based budgeting; talking about performance-based budgeting; dissecting the appropriations bills; highlighting the risk of growing entitlements; and also addressing the waste that we find in earmarks.

So today as our first session, we thought it would be a good idea to review how Washington spent the taxpayers' money last year.

We have it broken down by household, and we always find that when we speak in terms of billions and trillions in Washington-speak, that we are talking about numbers that are really big. So we went in here and said how much is it per household that was spent in 2007 in the name of Government. What did we appropriate and spend of your money? Came out to be \$24,106 per household. That's the highest total since World War II.

The Federal Government collected about \$21,992 per household in taxes. So what did that give us? If you are spending \$24,106 per household and then you are taking in \$21,992 per household, Madam Speaker, think about that. That is each household's share of taxes: \$21,992.

But it wasn't enough. That wasn't enough. Audrey II wanted a little bit more. The bureaucracy wanted more. The bureaucracy couldn't curb their spending. So they spent that \$24,106. So that leaves the taxpayer and future generations a deficit each year that becomes a debt. And the deficit last year came out to \$2,114 per household.

All of that is going to land in the laps of our children, and in my case, a grandchild that is going to arrive in May. Welcome. Because there's going to be a debt from the U.S. Government on that child's head when he arrives.

Madam Speaker, I want to yield at this time to the gentleman from California (Mr. CAMPBELL) who chairs our Republican Study Committee budget committee and is doing great work on this issue. He's going to take the lead on many of these issues; and at this time I yield to the gentleman from California.

Mr. CAMPBELL of California. Madam Speaker, I thank the gentlelady from Tennessee very much for yielding on this important issue of the budget.

Now you know in the next couple of weeks we will vote on a budget here, Madam Speaker, in this House. And that budget will undoubtedly have a deficit somewhere over \$400 billion. Let me say that again: we will vote on a budget in the next few weeks with a deficit of somewhere over \$400 billion.

Now as Mrs. BLACKBURN indicated, these are big numbers and they're hard to relate to. I understand that. Until I was elected to Congress, they were pretty hard for me to relate to, too. When 9/11 happened, we had a big deficit. The economy dropped off, as you recall. We spent a lot of money going after al Qaeda and so forth at that time. But since then, we've had three straight years of declining deficits. It has been coming down. And in fact, this last year it looked like finally perhaps a balanced budget was in sight.

But now this year, this year for the first time in 4 years, the deficit's going to go up, and it is not just going to go up a little; it's almost certainly going to more than double, more than double this deficit. And that's just this year. But if we look at the future, it gets even worse. If we look here at what is going to happen, and if you just look at this, this shows what will happen to the deficit, to spending in this Government over time if we don't change where we are headed.

You see, the problem we have got is not that the American people are taxed too little. It's that this Congress spends too much. There were tax cuts back in 2003 and in 2001; but since 2003, the revenue of the Federal Government has risen almost 50 percent. Let me make sure people understand that. We reduced tax rates, but because economic activity was generated by that, revenue to the Federal Government actually went up, and it went up every year. But spending keeps going up faster than that, and that's what has got to stop.

And where is it going up? It's going up in just about every category. As we pile deficits on deficits, the interest we pay goes up. Defense spending is continuing to rise; other spending is continuing to rise. But we also have Medicare, Medicaid and Social Security, three things which currently take up over 50 percent of the taxes that everyone pays, Madam Speaker.

If we leave them alone, if we don't reform them, if we don't change them, you will have to literally double tax rates on every single American in order to have Social Security, Medicare and Medicaid and keep anything else like a military, like national parks, like anything else. Nearly double tax rates. That is unsustainable.

□ 1615

What are we doing in this budget to deal with that? Nothing. Not a single thing.

Now, this isn't just me saying this or just Republicans saying this. Every single analyst, liberal, conservative, right, left, Republican, Democrat

agrees that we're headed towards these numbers, that we are headed towards a situation that's unsustainable. Either Medicare goes away, Social Security goes away, Medicaid goes away, Defense Department, all military goes away, and pick two or three or four of those or we more than double taxes on the American people.

Now, we can wait. That's what we always seem to do, we just wait, let time go on a little bit, let the next generation deal with it, let the next Congress deal with it. But the longer we wait, the worse it gets.

And we're not making this hole any smaller right now. We're more than doubling the deficit. It will be proposed to more than double the deficit in what we're about to vote on in the next couple of weeks. So, we're actually making this chart much worse.

The problem is spending. You can't tax the American people enough to spend everything that all of this is, that all of this that we're headed for, that all everybody in this Congress seems to want to spend, so we've got to control the spending.

Now, I have a suggestion for that, Madam Speaker. Because if you look, since 1960, over the last, I think it's 48 years now, I believe this is right, it may be off by one, but since 1960, I believe we've had only 4 years in which there was a surplus, only 4 years in the last 48 in which the government did not spend more money than it took in. So, that shows you that deficits aren't new. And they're not assigned, frankly, to either party. There have been deficits under Republican Congresses, Democratic Congresses, Republican Presidents, Democratic Presidents, and every combination thereof. Deficits seem to be a fundamental problem with this institution.

Our Democratic colleagues came into power last year. And when they came in, they said these deficits are terrible, this debt we're putting on our children is terrible, we're going to solve these deficits. And what did they do? They set up a few rules which they've, within a year, decided they would waive and ignore, and now they're about to propose doubling last year's deficit. You see, the spending goes on.

And there are people out there now talking about socialized medicine. They're saying, gee, we have to cover everyone with some government plan on health insurance. Where is the money going to come from? Where is it going to come from? You can't pay now for Medicare and Medicaid. The people that are currently under government function programs, you don't have enough money to pay for them for the next 20 years, where are you going to get it to pay for everybody else?

Madam Speaker, that's why one of the suggestions that the lady from Tennessee and I have, and various other people, is that we're going to need a spending limit. You know, average Americans understand, Madam Speaker, that they should save for

their retirement. Well, you know, it's tough sometimes because there's things you would like to spend, things maybe you need to spend money on now, and it will eat up all the money you have if you let it. So, you set up an external discipline, like a 401(k) or something, where money comes out of your paycheck so I don't have the opportunity to spend it and I'm saving for the future.

Congress can do the same thing as American taxpayers do, which is, set up an external discipline that keeps us from spending more money than is coming in. We need a spending limit. We need something that keeps Congress from spending money faster than the American taxpayer is earning it. Because, you see, if government grows faster than the income of the average American, the only way to get that money is to take more of the average American's money. And that means you're giving the average American less of their own money to spend on their priorities so that we here in Washington can spend more of their money on ours. And that's just wrong.

Spending in this place should not be allowed to grow faster than American's incomes. And we will make some proposals to put that kind of limit on this Congress so that the limits are here and Americans have limits and restrictions removed off of them so they can earn more money and keep it, because that's what everyone wants to do.

I yield back to the lady from Tennessee.

Mrs. BLACKBURN. I thank the gentleman from California. And if he would yield for a moment of colloquy.

I want to go back to the issue of the deficit, because you mentioned that the deficit had gone down over the past few years and this year the deficit is going to more than double. And of course we know that much of that is because of increased spending. And I would like for you to go back and touch on that point one more time.

Mr. CAMPBELL of California. Sure. I appreciate the lady from Tennessee yielding for this.

Yes, we have had increased tax revenues every year. In fact, all but one year out of the last 4 years it has been double digits, in other words, 10 percent or more. That's pretty good. I think a lot of Americans out there would love to see their paycheck rise by 10 percent a year. Well, the Federal Government's paycheck has been rising by that amount over the last 4 years, but we've continued to spend money. And so now revenue is dropping off a little bit, the increases aren't quite as big as they were the last 4 years, but government spending has proposed to keep on trucking, keep on going up. And that's why you're going to see this deficit nearly double, probably more than double.

Mrs. BLACKBURN. If the gentleman will yield. What we saw from the '01 and '03 tax reductions was that the Federal Government's revenue, the

money the taxpayers are sending in for us to appropriate and spend on behalf of them at the Federal level, that money has been increasing in double digits every year since we started the tax reductions, which allows our taxpayers to keep more money in their pockets. So, what we saw was we made those reductions, and then the Federal Treasury is bringing in more money from the taxpayers. But what we also saw was that Congress continued to increase the percentage and increase their spending.

Mr. CAMPBELL of California. That's absolutely right. And again, as I pointed out, the Democrats who came into power, many of them campaigned and made a big deal about, their issues were, that they would, wanted a balanced budget, wanted to move towards a balanced budget, but now we're doubling the deficit.

Mrs. BLACKBURN. And if the gentleman will yield, what we also saw was that the deficit was down, both as a percentage of the GDP and also in the amount of the deficit, the dollar amount, much of that due to the Deficit Reduction Act that we passed that was the '06 budget. And then what has happened last year and what we will see this year is that that deficit is going to double because of increased spending.

Mr. CAMPBELL of California. That increased spending, and the fact that revenue has dropped off some. I mean, the growth in revenue has, in fact, dropped off, the economy is down, and so people are not making as much money and paying as much taxes. So, there is that, too.

But that's the point of all of this is that the government can't keep on spending; when times are good, increase spending a lot, and when times are bad, increase spending a lot, too. That's what we can't do. And that's what has gotten us in this mess, that's what has gotten us this big national debt, and that's what has gotten us into these deficits. And now we're having a little drop off in revenue. It's still probably going to increase, but just not at a 10 percent rate like it has before.

And so I'm looking to see, where is the proposal on the part of the majority party here to reduce spending so that we can try and, if we don't balance the budget this year, so that at least we don't double it, at least we try to control it a little bit, try and get it back on track towards balance. But that's not what we're seeing. That's not what we're seeing.

Mrs. BLACKBURN. And if the gentleman will yield. One of the things that we have long supported is balancing the budget and making certain that we do have a balanced budget, like many of our States have and like many of our counties and cities operate under a balanced budget, but we don't. And we do have our entitlement spending with the chart in front of you.

2050. I will yield back to the gentleman from California to show where

we get to the point there at 2050 where it takes all of our tax revenue to pay our Medicare, Medicaid, and Social Security. And I yield.

Mr. CAMPBELL of California. Sure. If you look at this little red line here, that's the taxes that people pay. That's the 30-year average tax revenue. And this isn't in dollar terms; this is in terms of a percent of the economy. So it's not like this year you're paying the same dollars in taxes that you would in 2080; it's that you're going to pay the same percentage of the overall economy in taxes.

So, if you look at that, that's the tax rates. And if you see right here, 2000–2010, we've been running deficits during all this period, but you still see that this line here is the total spending, it's a little bit over. And we don't like the deficits we have now. I mean, I've talked about it, people on the other side of the aisle talked about it. You don't like the deficits you've got now. Well, look at the difference between this red line and the spending now and what happens in 2030 or 2040 or 2050. It's huge. And when you get out here to 2060, you see that you have to just about double taxes to pay for everything at that point. And if you double taxes, people can't and won't make as much money because it will all be coming here and nobody will have money to invest. And so it's really worse. This chart, it's scary, but it almost actually makes it look better than it really is.

And so we really have to tackle some of these things. We really have to take this on because we say, 2050, that's a long time, I may be dead by then. Whatever. But that's not what in this House we're supposed to be thinking. We're not supposed to be thinking about us; we're supposed to be thinking about the American people now and in the future. And if we're going to be thinking about the American people now and in the future, it's going to be a whole lot tougher to deal with this problem in 2020 than it's going to be to deal with it in 2010. And that's why, Mrs. BLACKBURN, we should be dealing with this now, in the budget now. But nope, it's just kick the can down the road; accept that doubling of the budget deficit and just kick the can down the road. And I yield back.

Mrs. BLACKBURN. Well, I appreciate that. And especially when you consider the fact that 77 million baby boomers are going to retire between now and 2029. You were just pointing to 2030. And where we are with getting to that budget in 2030, you would be able to pay for Medicare, Medicaid, Social Security, and defense when you get to the line on 2030. And I think also, as we look at our entitlements and we look at Social Security, we know that in 1960, we had a 5:1 worker ratio, five workers for every one retiree. In 2007, this past year, we've had three workers for every one retiree. And by the time we get to 2030, we're going to have two workers for every one retiree. So you're going to have a married couple

with children supporting their family plus supporting a retiree, and I think that that adds to the push that we feel and the urgency that we feel.

You're exactly right. And I thank the gentleman from California for all the leadership that he brings to this issue because beginning to deal with the long-term structural issues that exist in this budget are vitally important to us. It is something that has to be dealt with, and it's something we can't kick the can down the road. And I yield.

Mr. CAMPBELL of California. And if the lady will yield for one last parting comment, as you look at this chart, if you look at this chart, because you will hear some people in the majority party talk about that the whole problem is the war in Iraq and it's defense spending. If you look at this chart over time, the width of this green defense bar doesn't change that much over time. Now, who knows what will happen, but projections are that defense spending as a percentage of the economy, which is historically not that high right now, but that it wouldn't change over time. The big problems, the ones that are small here and get really fat there, are if you take the two biggest. One is Medicare and the other is interest on the debt.

Interest on the debt gets big because we keep throwing deficit after deficit after deficit. The way to get that down is simple: Balance the budget, stop running deficits. But we haven't, as I mentioned, except for 4 years, I think over the last 40-something, we haven't had the will here to do that.

The other thing is Medicare. And what's so interesting is that that is government-paid-for medical insurance for older Americans, for seniors. But you have people out there now advocating that we should have Medicare for everyone, which you've got a problem with Medicare as it is, a huge problem in that it would almost take up all of your tax money by 2080, almost take up all your tax money all by itself.

So, I thank the lady from Tennessee very much and yield back.

Mrs. BLACKBURN. I thank the gentleman from California, and I look forward to hearing him talk a bit more as we go through the coming weeks about what we should do about entitlements, how we should address this issue, how we should make the budget process more transparent, and how we need to go about reforming these processes and changing how we spend the taxpayers' money, because we do fully believe, Madam Speaker, that the taxpayers do have the right to know and should know how this body spends their money.

□ 1630

At this time I want to yield to the gentleman from New Jersey (Mr. GARRETT), who is a member of the Budget Committee and has been an advocate for reforming budget processes and reforming the way we go through this.

And at this time I yield to the gentleman from New Jersey for his com-

ments on how we make certain that the taxpayers know how we spend their money.

Mr. GARRETT of New Jersey. I thank the gentlewoman from Tennessee for yielding, and I also very much thank her for organizing this Special Order, to be able to have the opportunity to come to the floor tonight.

As we have said, the bottom line up front, how much we take in and how much we spend. The American public must sit home and watch this and read the papers and live in a frustrated state, realizing that so much of their hard-earned money comes to Washington, and what we have here is a Byzantine system of archaic rules and what-have-you wrapped around policy statements, what-have-you, that the American public doesn't oftentimes get a clear picture to understand just where their dollars go.

And that's what the purpose is here tonight and in subsequent weeks I believe as well, to try to remove that shroud of mystery behind the system that we have here, to shine the light of day, as we are oftentimes saying, on the budgetary process, to give the American public a clear picture of exactly where their dollars go to. And we do this with not just an educational point in mind or a goal but to also allow the American public and the voter and the taxpayer to be in a better posture to decide among themselves just where they want their Government to go in this election and future elections and of course over their lifetime as well.

It was just this past week when we were back at home in the district work period and I was able to sit at my dining room table. Around this time of year, April 15 is coming up, tax time, and my wife said now is the time to start getting the paperwork out, Scott, and begin to look at it and getting all the stuff you need to send to the accountant to do our taxes, because I had given up, quite candidly, years ago trying to figure out myself, as I imagine most Members of Congress have, to try to figure out the Byzantine Tax Code that we have created for the American public as well.

So I began the process of collecting all my documents. And, of course, some of those are some of the basic ones, like your W-2 to show you how much you've earned over the last 12 months, over the last year. And then there's one of those little boxes, I think box 8 or 9 on there, that also begins to show you just how much money has been taken out of your paycheck week after week. You don't see it so much, especially nowadays because so many people have direct deposit and it goes right into their checking account or bank account. You don't see how much is actually taken out.

But at the end of the year you sure do. At the end of the year you get that W-2 and you look at that box, and I say, oh, my gosh, that's how much

money. In payroll taxes and income taxes, you put them out all together, and it's in the five digits for a lot of middle-class Americans.

I come from the great State of New Jersey where middle-class America lives and works hard to make a paycheck and pay their bills. They would be astounded if they looked at their W-2s, as I did and maybe you should as well, to see how much taxes are taken out and sent down here to Washington.

The Government took in \$21,992, almost \$22,000, in household taxes. Now, mind you, those \$22,000 are all household taxes. I believe that also includes payroll taxes alike. So your income taxes and payroll taxes, \$22,000. The government spends \$24,000 per household. So that's very easy math, and it's basically telling us that we are engaged in deficit spending. But look at that number: \$22,000 taken out of the average middle-class American's paycheck.

When the average household income in some parts of the country is around 40-some-odd-thousand dollars, half of that money, figuratively speaking, is going in taxes. I know it doesn't come out of that tax rate for that particular family, but that's enough for some Americans to live on entirely in certain parts of this country with a little bit of assistance on the side. And that's how much is being paid per household in U.S. taxes.

For some of us, we think that's just too much. The numbers have been projected with a little bit of varying degree of certainty on this, but on average the American household, the American family, a middle-class American works starting on January 1, just a month or so ago, and works all the way to sometime in mid-May just to pay their Federal taxes, State and local taxes as well. And then if you want to add onto that all the burden and the costs of all the Federal regulations and everything that also is a burden on us as well, you have to work almost all the way until sometime in the summertime, the beginning of July. So think about that. You're working almost the entire half of the year just to pay your taxes and the burden of the Federal, State, and local Governments.

And where do those dollars go? Well, that's something that we're talking about here. On average, first of all, the burden falls around 18.3 percent of GDP. What does that mean? The historical average of all the revenue coming into the Federal Government from the 1960s all the way up until the present time varies up and down, some years more, some years less. But on average as a percentage of GDP, it's around 18.3 percent.

Now, what this means is that at certain times the tax rates and the burden on the American family is greater than others; sometimes it's less than others. But we're here to point out where those dollars go and what can we do to make sure that that tax burden does not continue to creep up higher and higher and

higher so that the American family sees even more of their tax dollars go to that level and to purposes that they can only fathom a guess at.

If you have listened to the debate on this floor in past times, you've heard talk about earmarks and waste, fraud, and abuse. Earmarks are part of the problem, but they are only a small, small percentage of where our tax dollars go. The gentleman who was just speaking before spoke a little bit about the entitlements, Medicare and Medicaid, a much larger percentage. Let me fall someplace in between. As I sat there at my dining room table looking at the double-digit numbers as far as what my family has to pay in Federal taxes, I realize, as most Americans do, that we have an obligation to pay taxes into our Federal Government to provide for such things as national defense and homeland security, and we don't begrudge the Federal Government for any of those things. But as I also sat back, being a Member of Congress, knowing about the waste, fraud, and abuse and the unnecessary expenditures, that's when I and middle-class America begin to be concerned.

For example, nobody has to think back too far about all the dollars that we spent mistakenly in the area of Hurricane Katrina and the waste in portions of that spending. I had folks sitting in my office who did independent investigations on Katrina to see where those dollars were going to. Granted, there was a lot of necessary cost down there. But the waste, fraud, and abuse down there is telling. Fraud related to Hurricane Katrina spending is estimated to top \$2 billion. One of the areas that the investigators who spoke to me were talking about was the debit cards, debit cards that were issued repeatedly to the same people. That means over and over again, even though they should have applied and qualified for one, in some cases debit cards and checks were being sent out to people regardless of need. In other cases, cards being sent out to people even though they did not live in the area, to be used for all sorts of things, from a Caribbean vacation to NFL tickets and so on and so forth.

Likewise, auditors discovered that 900,000 of the 2.5 million recipients of emergency Katrina assistance provided false or duplicate names, addresses, and Social Security numbers. And the interesting thing there, and I will make this last point on Katrina, is that even though the fraud investigators found out about this and they told FEMA about it, FEMA continued to issue those cards.

The other side of the aisle sometimes makes the case with regard to corporate welfare, and I agree with them. The Federal Government spends too much of wasteful money with regard to corporate welfare as well. According to some statistics, Washington spends \$60 billion annually on corporate welfare versus \$43 billion on homeland security. So note that we are spending

more money on corporate welfare to some of the largest corporations in this country and the world than we are on homeland security. Likewise on corporate welfare, the Advanced Technology Program, which sounds like an admirable program, spends \$150 million annually subsidizing private businesses, and 40 percent of that money goes to Fortune 500 companies.

So as middle-class America sits at home saying, where are my tax dollars going, that's some of the places where it's going.

I will yield back and maybe speak again in a moment on some other points. But let me just close on this: I have the honor and privilege of serving on the Budget Committee, the committee in which we have the opportunity to sit back and look at the entire Federal budget, the big picture overview, and I have had the opportunity to do this now for 5 years. And during that time, many of these examples come before us; and during that time we have, let's call it, partisan differences from the other side of the aisle and ours on what we should be doing about it.

But mind you, in the 5 years that I have served on this committee, the 5 years that I have served in this House, not one time do I recall anyone from the other side of the aisle suggesting that the solution to taking the burden off middle-class America is to reduce their tax rate and to do so by actually reducing tax expenditures. On the contrary, everything I have seen over the past 5 years, and as has been pointed out by the gentleman from California right now, has been in the opposite direction, an increase in Federal spending and, as we have seen now with the mother of all tax increases, an increase of the tax burden on middle-class America as well.

Those are the points that I believe the American public has got to understand. As they pay their taxes April 15, where are their tax dollars going? It's going to, if the other side has its way, increased Federal spending on programs like these and other programs as well and an increased burden on middle-class America, things that those on this side of the aisle vehemently oppose and are doing our best to rein in.

Mrs. BLACKBURN. Reclaiming my time, I thank the gentleman from New Jersey for his leadership and his guidance on so many of our budgetary issues and for his desire. Madam Speaker, it is a true desire that he has to be certain that we provide transparency to the American people and that we become good stewards of the tax dollar, that we exercise good stewardship, because these are dollars that the taxpayers send to us and entrust to us to use. As I said earlier and as the gentleman from New Jersey pointed out so well, \$21,992 per household in taxes, and even that is not enough to meet the \$24,106 that the Federal Government spent per household. And this is where some of that money goes:

Social Security and Medicare, \$8,301 of that \$21,992 went to Social Security and Medicare. Defense saw \$4,951. The anti-poverty programs, which are our TANF programs, supplemental security income, things of that nature, \$3,500. Interest on the Federal debt, \$2,071; Federal retiree benefits, \$907. This is all out of that, per family, per household. Health research and regulation, \$664; veterans benefits, \$627; education, \$584; highways and mass transit, \$418; justice administration, \$392; natural resources and the environment, \$305. And certainly we know much of that money is going into bureaucracy, much of it is going into wasteful spending.

At this time I want to yield to the gentleman from Pennsylvania (Mr. TIM MURPHY), who has been a leader on the Energy and Commerce Committee and on the Energy Subcommittee, to talk a little bit about energy and environment spending and some of the ways that we need to put the focus on how the taxpayers' dollars are being spent on those issues, and I yield to the gentleman from Pennsylvania.

Mr. TIM MURPHY of Pennsylvania. I thank my friend from Tennessee for yielding.

Madam Speaker, when we look at the economy that our Nation is facing and what we should be doing about it, quite frankly, in the area of energy, what we need to see is our Nation take on the issue of energy as a scientific challenge of our time. Really, it should be nothing less than the Apollo Project of our time where our resources for research and development and our educational institutions look to answer the question: How do we make our country energy secure in a way that is respectful of the environment and our public health?

I was noticing today that oil is trading at \$100 a barrel. This will probably continue to climb. It will continue to climb as long as we continue to embargo our own oil resources off the Atlantic Coast, the gulf coast, the Pacific Coast, the Western States, and Alaska. And, yes, we need to do a great deal to improve the efficiency of automobiles. We need to do a great deal to improve the efficiencies of our highways, which waste massive amounts of fuel. But in terms of our economy, we cannot continue to have our families suffer the high prices that come when we say we will continue to be more and more dependent upon importation of foreign oil sources. We also are more and more dependent upon the marketplace with regard to natural gas. When we see our chemical companies shutting down plants in America and instead saying they'll build plants in the Mideast because the cost of natural gas is so much cheaper there, perhaps 25 cents to \$1 per million Btus, whereas here it may fluctuate to \$6 or \$8 or \$10 or \$12, it is something that's costing jobs and costing our economy.

□ 1645

It is something that is costing jobs and costing our economy. It is difficult

to see our President of the United States go and talk to Saudi leaders and ask them to increase production of oil recognizing that we are at their mercy as OPEC continues to set prices. We can change that by saying we will explore in environmentally responsible ways Americans' oil resources.

Let's look, for example, to shale oil in Colorado. Estimates are 2 trillion barrels of oil there, 2 trillion barrels of shale oil. We cut that off in our omnibus spending bill. This is forcing us to continue to import oil, some 60 percent. We limit development on natural gas. We also have situations where we are hurting our coal development. Our energy bills that we are facing this week and have faced for a while have not done much to improve our use of coal, but we have some 300 years' worth of coal.

What we ought to be doing is focusing our research and development dollars into using coal and cleaning it up so it does not have emissions, so it does not have large levels of CO₂s, so it does not pollute. That is a scientific challenge of our time. That is something we should be challenging our students as they go through school to think about how they can solve these issues, how they can create clean energy from our abundant resources of coal, how they can continue to find ways of using oil resourcefully and with environmental respect.

This is not something we are doing enough of. So what happens? It costs families more to go to work, it costs families more to feed their families. Look at what is happening with wheat prices. Yes, there are problems with wheat production in other parts of the world, but a big part of those costs has to do with the cost of transporting things. Last summer, flour was sold at about \$16 per hundredweight. Now it is \$40 or so, probably climbing to \$60. How will we handle it if a loaf of bread doubles on top of the increased prices people have to pay driving their cars to get to the grocery store? It is too much of a burden.

If we treat our energy needs as our Apollo project of this 21st century, of this decade, we would find jobs and more jobs and more jobs come out of this. The best economic stimulus package is a job. That is where we should be focusing. What can we do to build our infrastructure there? What kind of jobs come from building energy power plants? What happens when we start to put all our laborers, carpenters, ironworkers, boilermakers and electrical workers to build these plants?

Let me tell you how big this demand is. We have 400 old coal-fired power plants with inefficient or no pollution controls on many of them. We need to replace those 400 coal power plants, and because our energy demands of this country are going to double by 2050, we have to build an additional 400. We have to replace 100 nuclear plants and build an additional 100.

What that means is, starting in 2010, a ribbon-cutting ceremony to open up a

new coal-fired power plant every 2 weeks and a new nuclear plant every 2½ months. These are massive jobs for America. We should be making those investments so we have those jobs. And the best thing we can be doing is finding ways to clean up our resources. Why, the Pittsburgh coal seam alone, as my friend from Tennessee knows, overlaps my State of Pennsylvania, Ohio, West Virginia, Tennessee, Kentucky, and Alabama. And that is just one of our vast resources.

Let's focus our energy on doing what is right for the long-term for America, for America's jobs and America's economy, and stop saying "no" to energy security.

Mrs. BLACKBURN. I thank the gentleman from Pennsylvania for continuing the conversation about how we should be good stewards with the taxpayers' dollars and looking at how we spend those environment dollars, \$305 per family, spent on environment and energy programs last year. Unemployment benefits, as he said, the best economic stimulus is a job, unemployment benefits, \$299 per family. As you talk about developing energy resources, community and regional development, \$282 per family. But his point is it is imperative that regardless of what the sector, regardless what we are talking about, whether it is Social Security, defense, antipoverty programs, community development, or unemployment, it is imperative that we exercise good judgment and we use wisdom as we make these decisions, because the taxpayers do need to know how we are spending their money and how it relates to each and every family and what their share of that pie is.

Really, the leading expert on the family budget in the House is the gentleman from Texas (Mr. HENSARLING) who is chairman of the Republican Study Committee which is embarking on this project to demystify the budget and to make certain that our constituents and our colleagues all understand how we bring the budget together.

At this time I would like to yield to the gentleman from Texas for his comments.

Mr. HENSARLING. Well, I thank the gentlewoman for yielding, and I certainly appreciate her leadership in helping illuminate for families all across America exactly how this process of the Federal budget works. It is very important, Madam Speaker, that people pay attention to this Federal budget because at the end of the day, it is the family budget that pays for the Federal budget. Unfortunately, there is no free lunch. Somebody has to pay for this. And all of government will be paid for, and it is paid for out of the family budget.

It is especially important today, Madam Speaker, as families all across America are struggling to fill up their gas tanks. They are struggling to pay their health care premiums. They are struggling to send their kids to college. And every single dollar that is used to

plus up a Federal budget has to come out of some family budget. If you are going to plus up the Federal budget, you are going to decrease the family budget. And so it is important that families pay attention to how their money is spent.

So I applaud the gentlewoman from Tennessee for organizing a series of Special Orders on the floor of the United States House in order to help educate and enlighten the American people about this budget.

The first thing that the American people need to know about the budget is that, contrary to almost every single thing we do in this body, the budget doesn't even have the force of law. That's right, Madam Speaker. At best, it is a mere suggestion. Now, it takes an act of Congress to change the name of a post office, but somehow, the United States budget, the United States budget doesn't bear the force of law. It is a suggestion.

Now, many Republicans have come to this floor to try to say, at a bare minimum, the budget ought to be honest. And when we set a budget, it's supposed to be a ceiling on how much money we take away from American families, how much bread we take off of their table, how many opportunities we take away from them to give to government. There at least, at some point, has to be a ceiling where we say no more, we are not going to take any more away from American families. But instead, it is just a suggestion.

And so if we look in our rearview mirror, Madam Speaker, we unfortunately discover, just look for the last 5 years, 10 years, every time there has been a Federal budget, ultimately, Congress spent more money than what that budget provided. And so legislation has been brought by members of the Republican Study Committee, the Conservative Caucus of the House, to change that. But unfortunately we have yet to meet with success. But we will continue to ensure that there is a limit to how much money is taken away from American families.

Well, today how much money is taken? Over \$24,000 per family is what the Federal Government is spending. Now, whether it is paid for by cash or credit card, ultimately all government will be paid for. And this is, Madam Speaker, only the first time since World War II that the Federal Government has spent so much of the people's money. And that is an inflation adjustment number. Over \$24,000.

Madam Speaker, I just wonder how many people who are listening to this debate this afternoon really think they are getting their \$24,000 worth out of the Federal Government. Now, clearly there are many good things that the Federal Government does. But there has been an explosion of government, an explosion of government that, again, ultimately has to be paid for by the family budget.

Over the last 10 years, Madam Speaker, the Federal budget has grown by 66

percent; yet the family budget, as measured by median family income, has only grown 30.2 percent, less than half that. So families who have to pay for it are having to take a bigger bite out of their paycheck in order to write out that IRS check. Well, Madam Speaker, how long can this go on? How long can the Federal budget exceed the spending of the family budget? American families need to know that. And that is why it is important that these Special Orders have been organized by the Republican Study Committee to let the American people know just how much money is being spent of theirs and how that money is being spent.

Now, some will say, and we often hear it, this budget is being cut and that budget is being cut. I wish for once it were true. But there is this thing in Washington, and it is a little bit of inside baseball, called "baseline budgeting," which as this series continues we will speak about more, Madam Speaker, but baseline budgeting is an accounting concept that would make an Enron accountant blush. It automatically inflates all the numbers of the Federal budget.

Now, people all across America believe that if you spend the same amount of money on something next year as you did this year, but that is not a cut, but under the concept known as "baseline budgeting" and something called the "current services budget," government automatically inflates all of these government accounts. And then say, for example, if you don't increase the Housing and Urban Development budget by 2.7 percent, say you only increase it 2 percent, that is a cut. That is what "baseline budgeting" means. Again, Republicans representing the Republican Study Committee have come to the House floor to try to introduce honest accounting and transparency on this House floor.

Unfortunately, we have not had any cooperation by our friends on the other side of the aisle who want to continue with this thing called "baseline budgeting" that inflates the government budget at the expense of the family budget.

And just listen to some of these budgets, Madam Speaker. Over the last 10 years, the international affairs budget has grown 128 percent. The energy budget, what we call budget function number 270, has grown 229 percent. The transportation budget, Federal transportation budget has grown 88 percent. Community and regional development, 132 percent. And the list goes on and on. And again, over the last 10 years, the family budget, which has to pay for it, has only grown a little over 30 percent.

So government, the Federal budget, is growing at a huge multiple over the family budget, and yet the family budget has to pay for it. And it is that family budget, that family paycheck that is getting stressed. And so it is another reason why the American people need to pay very close attention.

Now, how is all of this government paid for? We have the single largest budget that is about to be proposed by the Democrats in the history of America. It is going to weigh in at over \$3 trillion, continuing the exponential growth of government at the expense of the family budget. Well, how is it paid for? Well, two different ways: cash and credit. And the cash is taxes.

Now, my friends and I on the other side of the aisle will say, well, all we need to do to balance the budget is raise taxes. Well, they hadn't balanced it yet. But they certainly, certainly have done an excellent job of raising taxes. Already, Madam Speaker, it is very important that the American people know this, but there are huge automatic tax increases that are scheduled, courtesy of our friends on the other side of the aisle, the Democrats. Right now, the single largest tax increase in American history is due to be imposed upon the American people over the next 3 years. This is written into law.

The American people need to know what kind of bite is going to come out of their paycheck to inflate the Federal budget at the expense of the family budget. Already, with these scheduled Democrat tax increases due to take place over the next 3 years, the average family in America is going to be socked with an additional tax burden of over \$3,000 per family. That's right, Madam Speaker, over \$3,000 per American family courtesy of our friends on the other side of the aisle.

What is going to happen? Well, at the bracket, ordinary income, the top bracket will go from 35 percent to 39.6 percent, which is an increase of 13 percent. Now, some say, well, that is the wealthy. Let's go tax the wealthy. Well, Madam Speaker, how many people in America when they hear that really believe it?

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Anytime you hear that phrase, it is time for middle-income people to grab their wallets, because it means that Washington is going to go on another money grab.

Also, Madam Speaker, it is important to note that approximately over 70 percent of those people who file at that rate are small businesses, the backbone of the American economy. We on this side of the aisle want to help ensure paychecks. Paychecks are more important than welfare checks.

So here it is: The Democrat party is getting ready in their budget to once again increase taxes on small business. The capital gains tax, the "capital" of capitalism, the fuel of free enterprise, that tax is due to increase 33.3 percent over the next 3 years.

Dividends are due to increase, a 164 percent tax increase on dividends, courtesy of our friends on the other side of the aisle, the Democrats.

The death tax. You have already paid taxes on the income once; but yet under the death tax, American people, Madam Speaker, are compelled to visit

both the undertaker and the IRS on the very same day. That is just an outrage. That tax is due to go from zero to up to 55 percent. People in the Fifth District of Texas, Madam Speaker, can work their entire lives trying to build a ranch, trying to build a farm, trying to build a small business, having the American Dream of thinking maybe one day I can leave that to my children or my grandchildren, only to see Uncle Sam come in and take 55 percent.

The Democrats' budget proposals will gut the American Dream. They will just take away any opportunity to leave that farm, that ranch, that small business. I talked to a rancher in my district who said, Congressman, once Uncle Sam takes his piece, there is not enough left for the family. That shouldn't happen in America.

I would be happy to yield back to the gentlelady from Tennessee.

Mrs. BLACKBURN. I thank the gentleman from Texas. I want to go back to a point that you made. The tax burden on the average family, already they are turning over \$21,992. The Federal Government is spending \$24,106. So they have got this debt, this deficit in there, that is being passed on to their children and grandchildren. But you said that tax burden is getting ready to go up \$3,000?

Mr. HENSARLING. That is right. If the gentlewoman will yield, over the next 3 years, on average, the average American family will see their tax burden increase by \$3,000 per family to pay for the spending spree of Big Government by our friends on the other side of the aisle, the Democrats.

Mrs. BLACKBURN. I thank the gentleman for that. So we have got the \$21,992 that the average household paid in 2007, and then they had on top of that the \$2,100 deficit for the year, and the Federal Government spending \$24,106. But what you are saying is the current budget policies are going to push that up even another \$3,000 per family over the next 3 years.

I just highlight to my colleagues that we have talked a good bit today about the overall budget process and why we think the taxpayer has the right to know how this body spends your money. The taxpayer has the right to know what is going to be there in the form of a deficit and a debt that their children are going to have to pick up the burden on and carry that burden.

The taxpayer has the right to know what is looming with Medicare and Medicaid and Social Security and the entitlements that are there that are put on automatic pilot. They have the right to know what the budget processes are, what is the difference in baseline budgeting and zero-base budgeting and performance-based budgeting; what are the benefits that would be derived by transparency.

They have the right to know how the Budget Committee goes through the process of setting the parameters on this budget. And certainly they have the right to know what takes place in

the appropriations process. They have the right to know what is wasteful spending and what are earmarks and what is in front of us with this entire document.

Madam Speaker, I thank you for the time that you have yielded to us. We are going to be back next week. We are going to continue to talk about this issue. I hope that people will follow this with us at House.Gov/Hensarling/RSC. We would hope that we hear from them and that we bring an element of transparency and therefore accountability to the budgeting process.

ADMINISTRATION NOT COOPERATING WITH CONGRESS

The SPEAKER pro tempore. Under the Speaker's announced policy of January 18, 2007, the gentleman from California (Mr. ROHRBACHER) is recognized for 60 minutes.

Mr. ROHRBACHER. Madam Speaker, I come to the floor tonight with a heavy heart. The nature of the allegations I make speaks poorly of this administration. In my heart of hearts, I have always wanted this administration to succeed, but the issue at hand is of such magnitude that the American people need to know what is being done and what precedents are being set.

In my tenure as a senior member of the House Foreign Affairs Committee, both as chairman and ranking member of an investigative subcommittee, I have witnessed firsthand behavior by the Bush administration which I find deeply troubling.

The disdain and uncooperative nature that this administration has shown toward Congress, including Republican Members, is so egregious that I can no longer assume that it is simply bureaucratic incompetence or isolated mistakes. Rather, I have come to the sad conclusion that this administration has intentionally obstructed Congress' rightful and constitutional duties.

Tonight I will discuss some serious examples of this administration's contemptuous disregard for the authority delegated to Congress by the Constitution. This bad attitude has consistently manifested itself in a sophomore resentment toward Congress' constitutional role as an equal branch of government. The result has been an executive branch too insecure to let Congress do its job, an executive branch that sees Congress, even when Republicans held the majority, as a rival and a spoiler, rather than as elected representatives of the American people playing a rightful role in establishing policy for our great country.

Unfortunately, when the President of the United States rejects the legitimacy of congressional prerogatives, there are serious consequences. Tonight, I will provide examples of how this administration for the past 7 years has undercut congressional investigators, has lied to Members of Congress,

and has forged ahead with secret deals in spite of efforts and pleas by Congress to be informed, if not involved.

In the last Congress, I was chairman of the Oversight and Investigations Subcommittee of the House Foreign Affairs Committee. In that capacity, I learned that in the time immediately leading up to the bombing of the Federal Building in Oklahoma City, convicted Oklahoma City bomber and murderer Terry Nichols had been in Cebu City in the Philippines. His stay in Cebu City coincided with another visitor to that city, al Qaeda's terrorist leader Ramsey Yousef. Interestingly, both Nichols and Yousef used similar bombs and methods just 2 years apart to blow up two American targets. Yousef was the mastermind of the first attack on the World Trade Center in 1993. Nichols was a coconspirator in the bombing of the Oklahoma City Federal Building in 1995.

By the way, I would like to acknowledge that today happens to be the 15-year anniversary of that first devastating attack on the World Trade Center.

These individuals, one American and one Arab, were responsible for planning two of the most lethal terrorist attacks on our countrymen in our history. We are to believe that by coincidence they ended up in an off-the-beaten-track city in the Southern Philippines? One doesn't have to be a conspiracy nut to understand that this coincidence is certainly worth looking into.

I started an official congressional investigation sanctioned by Henry Hyde, then the chairman of the International Relations Committee, to see whether Terry Nichols or his accomplice, Timothy McVeigh, had foreign help in their murderous terrorist bombing of the Alfred Murrah Building in Oklahoma City.

In light of the fact that Terry Nichols and Ramsey Yousef were both in Cebu City at the same time prior to hauntingly similar terrorist attacks, it was no stretch for a congressional investigative committee to be looking into this matter. However, the Bush administration felt quite differently. To those I had to deal with, it was "case closed, don't bother us." They had looked into the matter, and Congress should simply and blindly accept their conclusion that there was no Nichols-Yousef connection. "Don't bother us." This was at times bureaucratic laziness, and at other times it was clearly based on a disdain for congressional investigations and authority.

During my investigation, I secured Ramsey Yousef's cell phone records. The records were part of the phone calls that he made when he was in that New York City area in the months just prior to the bombing of the World Trade Center in 1993.

The phone records show that Ramsey Yousef made at least two phone calls to a row house in Queens, New York.