

with a skill would be able to participate in to that individual that became an engineer.

These are jobs that you just can't send overseas. And this is a real economy and not a credit card economy, not a second mortgage economy, or not an economy where one has to go out and continue to borrow to live. This is real money coming in for real working Americans that are here so that we can put folks to work and get them off the unemployment role.

I'm going to end right there, Mr. Speaker, as it relates to the energy investment because there are so many other investments in here as we look at education, transportation, and infrastructure. And today, just today, the Speaker had an infrastructure meeting in the Speaker's office with many individuals that felt that they had a way to not only incentivize an economy but also build on the infrastructure of America.

So many of my constituents and so many Americans are very concerned about the investment that's going on in Iraq right now. Crumbling bridges, railways are not what they should be as it relates to moving transportation. We have trains that can move freight almost 430 miles on one gallon of diesel fuel. I mean, these are things that we have to continue to work on to not only save our environment but also create American jobs.

And that's what I'm very excited about in this budget that we are putting forward, to give us the guideposts that we need in this country to not only do away with the debt by 2010 but also get the country moving in a direction so that it can be a safer place for our children and grandchildren.

With that, Mr. Speaker, we always want in the 30-Somethings to not only hear from the Members but also hear from the American people on various issues that are facing the Congress. Next week we are going to be on Easter break for the next couple of weeks once we finish our business this week. But the 30-Something staff continues to work to come up with the great ideas that we put forth on behalf of the American people. And we are talking about Democrat and Republican, Independent, those that are thinking about voting and those that can't even vote yet.

Our e-mail address is 30-SomethingDems@mail.house.gov. Again, 30-SomethingDems@mail.house.gov. Or if you want any of the information that we shared with you tonight about the budget, we know that you can go on www.budget.house.gov. Again, www.budget.house.gov. And any general information that you may want, what Democrats are doing here in Congress, www.speaker.gov, and I think that's easy enough to remember.

CHANGING THE DIRECTION OF THE COUNTRY'S BUDGET

The SPEAKER pro tempore. Under the Speaker's announced policy of Jan-

uary 18, 2007, the gentleman from Kentucky (Mr. YARMUTH) is recognized for the remainder of the hour.

Mr. YARMUTH. Mr. Speaker, it is a great pleasure to be here speaking on behalf of the American people and the class of 2006, the class that was elected to Congress to change the direction of the country, and that's what we've been set upon to do during these last 14 months.

And I appreciate very much the comments of my distinguished colleague from Florida (Mr. MEEK) and the great efforts he has made week after week to address the American people on the issues that are of critical importance to them.

We are going to talk tonight about the budget resolution as well because this is, above all things, the fundamental responsibility of the House of Representatives, the United States Congress. This is how we deal with all of the tax revenue that we generate in this country and how we essentially steward the funds of the population that depend on us to make good judgments for them.

And I'm joined tonight by my distinguished colleague from Wisconsin (Mr. KAGEN) who has been a frequent participant in these sessions and someone who joins with us in our commitment to making life better for all Americans, making this an economy and a society that works for everyone and not just for the wealthiest.

There are lots of ways to frame budget debates, and there's always a risk that we get much too deep in numbers and we get way too deep in the weeds, and we don't talk about the big picture because the big picture is what most Americans want to deal with. They want the small picture of how it affects their daily lives. But they also want to know what we're about here, what our goals are, what our ambitions are for the American people, what we are trying to do as we work through this \$3 trillion budget that we have to do each Congress.

And it's been interesting to sit and to stand and to listen to our colleagues on the other side of the aisle, those Members who have been in charge of this body and in charge of the Federal budget essentially for the last 6 years and even in the Congress before that for another 6 years, and listen to them try to frame the issues in ways that understandably try to benefit their position.

But it's fascinating to listen as they talk about our budget, and somehow, because we don't plan to keep all of the Bush tax cuts in effect ad infinitum, that that somehow represents a tax increase.

And I have to remind everyone when I talk about issues that you remember what the Bush administration did and this Congress did when they enacted these tax cuts. They basically provided a sunset. They provided in the legislation that these tax cuts would end, and the reason they did that was because they wanted to be able to project some-

where out in the future that there would be a balanced budget in spite of the fact that they knew they were destined for huge deficits.

So they put a sunset, they put an end on those dates. Just as if you were in a business and you say, Okay, for 2 days only we are going to have a sale. We are going to give you 30 percent off. And that's the terms of the deal. So you come in on the fourth day and you say, Wait a minute. I want to pay that lower price. And the store says, Wait a minute. No. This was two days only 30 percent off. So you didn't raise the prices. You can't argue that we raised the prices. This was the way the deal was set up.

So now they're trying to have it both ways. They're trying to say we provided a tax cut, most of which went to the very wealthiest Americans, and now we are going to, because you are not willing to extend that tax cut, you are going to raise our taxes. No. We are going to end that two-day sale.

But what is really more disturbing than anything else, and I listened earlier to one of our colleagues from Wisconsin, one of your colleagues, Mr. KAGEN, that when he was talking about what this budget would mean if we did not extend the Bush tax cuts, it said the average American would have their taxes raised by \$1,000 or \$1,200 or \$3,000 when, in fact, that is kind of the magic of numbers and what you can do with them. Because if you take someone who is making \$10 million a year and you raise that person's taxes by 4 percent, which would be essentially restoring the maximum tax rate, pre-Bush tax cut rate to that person, and then you average it over thousands of people, yes, you are going to get an average tax hike of \$1,000 per person. But the average American, the average person who is making \$30,000 a year is not going to see his or her taxes increased at all under this budget.

But you put that person with the person who's making \$10 million a year whose taxes might go up a couple hundred thousand dollars, you average all of that in, yeah, you can come up with an average tax increase on all Americans. But that's not the way it works, because the average American will not have his or her taxes increased under this budget. The average very wealthy American will have his or her taxes increased.

But that's the way we play games with numbers around here, and it's very disturbing.

So it's important that when we discuss these important issues, \$3 trillion worth of Federal budget, \$1 trillion dollars, essentially, that this Congress has to deal with in discretionary funding, that we be honest, that we be candid, that we paint the accurate picture for the American people and what it means to them.

And I would like now to yield to my distinguished colleague from Wisconsin who I know is very much focused on what this budget does and every budget does for the people he represents, everyday Americans in his district. So I'm proud to yield to my distinguished colleague from Wisconsin (Mr. KAGEN).

Mr. KAGEN. Mr. Speaker, I thank Mr. YARMUTH from the great State of Kentucky. And I thought what I would do is I'd share with you some of my feelings about how things are going here in Washington.

We were presented with Bush's proposal, which, medically speaking, is dead on arrival. It just doesn't face up to and it doesn't really reflect our traditional American values of putting people before things. People ought to come first.

I am very much opposed to the President's budget which seeks to really destroy Medicare and take away Medicaid, which is the health care access for those of us who are in the greatest need. And so I think we have to take a look at the numbers. When the President suggested \$497 billion cut from Medicare, nearly \$100 billion cut from Medicaid, how are these people going to get the essential medical care that they need?

I look at it, in the big picture, as this way: We've been elected to change the direction of the country and to do four essential things: First, defend America. We have to enact, as we did, the 9/11 recommendations. We have to begin to move our troops away from Iraq and back after our real enemies, Osama bin Laden and his followers. And they weren't in Iraq when we went there; they were in Afghanistan. But we cannot remain in a hundred-year war and continue to borrow money from China and spend it in the sands of Iraq.

Everywhere I go in Wisconsin, my good friend, people are telling me, Look, you have got our hard-earned tax dollars. Spend it here at home. Build our roads. Build our bridges. Rebuild America. Let's not rebuild another country. Let's rebuild our own lands. This budget does not reflect our values. It doesn't protect anyone except corporate greed and those at the very top of the ladder. It doesn't do what we should be doing: educating our children, caring for our veterans.

The Democratic budget seeks to put in over \$3 billion above what we did last year because we have 330,000-plus soldiers coming back from Iraq and Afghanistan.

□ 2145

And they need help now more than ever, not just before and during their service in harm's way, but when they come home with PTSD and other injuries that you may not see that are mental, and also those physical injuries. We have to have a budget that makes sense not just for us here, but also for people at home.

I have here a chart that shows you the change in real median, which is

like your average household income, by Presidential term. If you look over here right by the right, this is something people in Wisconsin understand straight away. We are not better off today than we were before President Bush took office. And this Republican policy of borrow and spend and borrow and spend has put us in the drink.

There is a difference between Republicans and Democrats. Right now, the difference is about \$33 trillion of debt on an accrual basis. When President Bush took office, we had a debt of about \$20 trillion on an accrual basis. We are now up to \$53 trillion of debt. We have obligations we have to meet to those people that we serve and represent.

During the Clinton Presidency, there was an increase of \$6,100 of median household income; with Bush I, a decline of \$1,000. So we have to return and get back to the basics of balancing our budget, and most importantly, balancing our trade as well. We cannot continue to have a negative trade deficit with our partners overseas and have any kind of economy left at all.

This budget does not make sense. I thought I would go through with you, since you are from Kentucky, some of the things that might be happening if we followed President Bush's and the Republicans' budget. Homeland security grants. In the State of Kentucky, well, you would lose \$7 million. In Wisconsin, \$9 million. Homeland security grants are important sources of revenue for small governments and cities and towns to help defend America on the local level.

Assistance to firefighter grants, the AFG grants, puts valuable equipment into volunteer fire departments across the country, giving them communication gear so we can communicate during an emergency. Well, in Kentucky, oh, my poor friend, you're not even on the list. Let's go to Wisconsin. We're losing \$13 million. And Kentucky, \$12.5 million with the President's budget.

What about the Clean Water State Revolving Fund? This is an essential source of revenue for guaranteeing that we have infrastructure that makes sense, that functions as it should, wastewater treatment plants and the like. In Wisconsin, under President Bush's budget, we would lose \$4 million. In Kentucky, you would lose almost \$2 million. It goes on and on.

Community Development Block Grants, Dislocated Worker programs. These are people-oriented programs that need to have financing to make sure that people have a safety net that they can count on.

If you want it in general terms, you used the analogy about a sale, you know, 2 days only, or should we say, "to the rich only." That sale, that tax break, that has to end because otherwise we're passing the buck. We're passing our debt on not to our generation, but to our children and our grandchildren because sooner or later these debts must be paid.

We're seeing it now with the decline of the dollar. The decline of the dollar has caused what? The oil hasn't changed for 1 million years, but its value has gone up because our purchasing power for the dollar has gone down. The gold hasn't changed, but it now might take \$1,000 someday soon, real soon, to get 1 ounce of gold. So your purchasing power of the dollar has declined. Interest rates are going down, making your investments, if you saved any money at all and you're on fixed income, it's much harder for you now to make it through the week.

As we look at the budgeting process here in Washington, the essential difference is there are debt lovers and debt haters. We want to pay our bills. We want to be fiscally responsible and socially progressive to guarantee that people are more important than things and people are more important than corporations.

And I yield back.

Mr. YARMUTH. I thank my distinguished colleague.

He raises an important point because there are two different types of expenditures that we make in this Congress and that everyone makes. You can spend money that basically goes down the drain and never yields any kind of positive return, or you can invest money that pays back in manifold times over the years.

I know that I call my colleague Mr. KAGEN; in fact, he is a physician. I should say Dr. KAGEN. I raise that because one of the things that the President's budget did, it would do if we were to enact it, which of course we won't, but is to cut funding for the National Institutes of Health. It seems to me that we're facing, as a country, this enormous exposure financially over the next several generations because of health care costs. We can try to tax our way out of it, raise more money to pay for it; we can try to use cost containment measures, which probably are not going to be that effective because every time you try to cut down on what you spend for health care, you reduce access to it; or we can invest money now in the type of research that will cure the very diseases that are going to cost us the most down the road. So if we spent \$20 billion and we're able to cure cancer within the next 5 years, that would save us trillions of dollars long term as a society. The same with diabetes, the same with almost every disease we can mention. Yet the President's budget reduces funding on an inflation basis from the last year's budget. This is the type of thing where we should be investing more money because down the road these will pay off, not necessarily for us, in fact, but for our children and future generations.

It's the same way with energy and it's the same way with infrastructure. These are the types of investments and expenditures which this budget, the Democratic budget, emphasizes. This is our focus. And this is the type of expenditure that the President's budget

ignores. And that represents a very fundamental difference in our approaches.

Clearly, we have one big elephant in the room. I don't say that in partisan terms. I will use gorilla. We have one big object in the room, and that is our expenditure in Iraq. If we continue to spend \$150, \$170, \$200 billion a year in Iraq, that is money that doesn't represent an investment. It represents money being flushed down the drain. That's something that we have a serious policy dispute with and that's a very controversial subject around the country, but it's the type of expenditure that is keeping us from doing the type of investment that will yield returns down the road.

I'm very happy that my colleague mentioned infrastructure and investment because that is where we're going to have to focus our activity, our attention. Because unless we do that, we are destined for the same type of borrow-and-spend society and economy as opposed to an invest-and-reap-the-reward society that we can have otherwise.

We have a fundamental debate with our colleagues from across the aisle and with the administration in the White House and we're going to have to continue to fight this until we can convince the American people that the long-term approach, investing in people and infrastructure and research, are the answers to our long-range problems. And the Republican budget, the President's budget, is something that takes us in the wrong direction.

With that, I would ask my colleague to respond to or react to those comments.

Mr. KAGEN. I couldn't agree with you more, and I appreciate your yielding.

Think about it. I'll ask it rhetorically: Can you name one thing that President Bush has done to help us become an energy independent Nation? Just one thing. I can't think of a thing that he has done. There is so much that we could be doing to become energy independent.

But let's look at taxes just for a minute. I can lower your taxes by investing in people, by having healthier children who will have healthier lives. They will get a better education if we educate them and invest in education. I can lower your taxes. I can lower the taxes of every city, every county and every State in this country if we would invest in a health care system that makes sense, that's affordable, and guarantees access to affordable care for everyone, especially our children on whose future we all depend. We can lower our taxes by having healthy senior citizens who walk straight, who don't need canes, who actually have access to the essential services that they require.

We have to invest in people, their education, their health care, and especially our veterans. And it's going to cost more and more and more the

longer we remain in a religious civil war in Iraq. We're spending \$12 billion of our tax money that we have to pay back sometime. Now 80 cents on the dollar that we're borrowing from foreign countries, 80 cents on the dollar we're taking from foreign countries right now. So who owns America? Who are we? And in which direction are we going to turn? We have become a debt-or country.

Let's take a look at some of the numbers that are a bit frightening. I'm going to scare you for a reason. This is the way it is: 2.8 million homes are going to go through foreclosure in a short time through the subprime mortgage crisis. But the number at the end of the day, when this recession is done in 2011 or 2012, may be 20 million homes. Now if you have three people per home, that's 60 million American citizens. Sixty million people might have to lose their home. If I came up to you and said, hey, you know, 20 percent of the population in Cuba is homeless, you would say, well, yeah, it's a Third World country. We're already getting there.

Now 10 years ago, in conversations with my physician colleagues, we would have an agreement that we were doing fine in America so long as the value of the dollar was upheld and so long as Arabians took our dollar in payment for their oil. Well, last year, the Japanese started buying their oil and paying in the yen. Germany is now paying in the euro because they get more for their money. So our dollar has been devalued because of these failed and losing economic policies that we're now underneath because of President Bush.

We must turn a page. We must come back to the basics of being fiscally responsible and paying as we go as we've done in this House in the 110th Congress.

Now if we don't invest in our children's education, where are we going to get? We're getting nowhere. If we don't invest in our children's health care early on, we'll never be able to afford their expensive care later on. Remember the old tire commercial, "You can pay me now or you can pay me later"? That's true in the health care field as well.

I feel very strongly that we have to take on all of these issues. We have to have a fiscally responsible budget. And the very first thing we have to address is our skyrocketing, impossible costs for health care, which are a drag on every small business I get to meet with. I don't care if you're in farming or if you're a shoe salesman or if you're a small manufacturer, the number one cost you have of running your overhead is your health expense for your employees, if you're fortunate enough to have the money to pay for it.

Today, the average cost for a family of four is \$14,000 for health insurance, on average. If you're making \$50,000 annually, how can you afford to give \$14,000 to the insurance industry? You

can't afford it. That's why we have 47 million United States citizens with no health care coverage at all. I think we have to become fiscally responsible. This Congress will do it.

I yield back.

Mr. YARMUTH. Thank you. This is kind of a tangent, but it's important to mention because we hear from the other side so many times, I think from the Presidential candidate as well as so many Members, that the answer to the health care crisis is to give families a \$5,000 or so tax credit so they can pay for their health insurance. You've framed the issue extremely well; how many families of moderate income can afford to pay? The \$5,000 tax credit doesn't mean anything when their health insurance is costing them \$14,000 a year. First of all, they don't have the money to spend, so they probably are not paying a lot of tax to begin with. A tax credit is kind of a myth. It's just something that maybe sounds good, but in the real world doesn't work.

But you also mentioned a very important element to this, and that's the issue of education. The President and the Republicans have continued to underfund education in this country at almost negligent amounts for a number of years now.

We just had a press conference a few weeks ago in my district because we were able to get enough money, a Federal grant to provide scholarships for 500 citizens of my district that would enable them to get an associate's degree. We calculated the amount of increased earning capacity based on that \$1 million worth of scholarships and it ended up being \$13 million worth of increased revenue earning capacity based on a \$1 million investment. Because if you take somebody from a high school degree and you give him or her an associate's degree, all of a sudden their income potential increases by 50 to 100 percent. You're talking about over a lifetime of earning capacity, \$250,000 to \$300,000 just for that small investment.

These are the types of decisions that we have to make, that we're called on to make in these budgeting processes. And I think that represents the real distinction between our party and the party that has controlled this House up until 2007. They want to spend money in very different ways. We want to invest tax dollars to improve the lives of those people who can really generate increased activity in the economy, increased earning.

□ 2200

Just on the basis of the question of stabilizing Social Security and Medicare, if you increase somebody's salary from \$25,000 a year to \$50,000 a year, you've doubled their contribution to Social Security. You've doubled their contribution to Medicare. This is the way we dig ourselves out of the hole that we have been in. It's to make sure that every American is earning a decent living and, therefore, can contribute to these programs. It's not to

sit there and say we're going to continue to give Warren Buffett and Bill Gates and many of the wealthiest Americans in this country tax breaks and hope that somehow that results in a better way of life for every other American.

I think we have seen enough of trickle-down economics. They tried to sell us that under the Reagan revolution. They've tried to sell us that under two Bush administrations. I think the American people finally realized that that's not the answer to our economic problems and that's not the answer to our economic future.

We have seen, and not just in New Orleans with Katrina, that when you have trickle down, unfortunately, it doesn't lift all boats. It drowns a lot of people. And that chart demonstrates, as vividly as it can be demonstrated, what has happened in this country under trickle-down economics. We have drowned those people who are represented in red. Their boats didn't float. Our position is we want to make sure that everybody has the right kind of boat so that when the storms come, they're floating with everybody else.

And I think that is something that the American people are catching on to. I think that's why every survey of American attitudes, when you ask people, Who do you trust more to handle the economy, taxes, education, health care? they have said, We prefer the Democrats by substantial margins now.

That doesn't mean we're off the hook. That doesn't mean just because people think we have the right answers that we don't have to respond and that we don't have to perform. But I think they have recognized that the other answer is empty, and they have said, we put our faith in your philosophy. We put our stock in you. Now perform for us. That's what we're trying to do with this budget. That's what we hope to do as we move forward into the 111th and 112th and 113th Congresses.

I'll yield to my colleague on that.

Mr. KAGEN. Thank you for yielding. You bring up an interesting point about paying taxes. Do you really believe that people who are going down can pay more? It doesn't make any sense at all. Let's take a look at some of the numbers.

Twenty-five percent of all workers in the United States earn less than \$8.70 per hour. One half of all women working earn less than \$8.70 an hour. That's about \$18,000 in a year. One-fifth of all children in America are living in poverty, which is the highest among the 17 industrialized nations, and we are the only industrialized nation that doesn't have guaranteed access to health care for everyone. So who is going to end up paying?

Well, we had dinner tonight. Somebody has to pay the bill; right? So we can't just get up and turn it over to somebody else. Our kids aren't there. Our grandchildren aren't there. We had to come up with the money to pay for

our bills. But if you don't have any money, and I'm not accusing you, but if you don't have the money, I'm going to have to cover you.

Now, who has benefited from all these tax cuts? It's the people at the top of the income scale. It should be no surprise who is going to have to pay the bills when they come due. It's not going to be people that don't have any money. They're going to the banks now looking for money.

I was in a diner in Oconto, Wisconsin, Northeast Wisconsin, having a bite to eat on my way to an event. And I asked the guys who were working there that are city workers how I could help them with an economic stimulus package.

And they said, Doc, look out the window. It's right there. There's the price of gas. If you want to put more money in my pocket, cut the cost of gasoline.

Well, we haven't done it yet because we have got an oil Vice President and an oil President. We can't do it while they're in office.

The second thing he said was, look, the other thing you can do is knock down the cost when I go to the pharmacy to get my medication. I think I'm paying too much.

And let me share with you some reality. In the State of Wisconsin, we have a program for senior citizens who are in need of assistance in paying for their prescription drugs. So if you can't afford your prescription drugs and you're in need and you're lower income status, you will qualify for senior care, and by buying into it with \$30 a year, you get this kind of a benefit. Virginia, for her medications, pays over \$330 per month at the pharmacy for her medications. On senior care it's \$89. The same pharmacy, the same prescription drugs, the same drug makers. The only difference is the State of Wisconsin formed a purchasing pool.

I will give you a second example. The Veterans Administration has negotiated steep discounts for a vast number of very effective and therapeutic prescription drugs. And, on average, if you're a veteran getting your prescription drugs from the VA, you're paying 46 percent less than a Medicare part D patient. But, my friend, the veterans who fought for this country, for our freedom, for the right not just for themselves to get a discount, they fought for everybody. Don't you think it's only right but that everybody be able to get those same medications at that same steep discount? They didn't fight a war—they didn't defend America—for themselves. They did it for every citizen across this land. If the VA can use its resources to leverage down and purchase prescription drugs at a steep discount, shouldn't everyone benefit from that steep discount?

So we have to begin to think differently in America, about us. Not me, about all of us. We have to begin to return to the days when health insurance was sold to an entire community. You know those letters u-n-i-t-y, unity? We have got to put "unity" back into

"community." We have to return to community-based ratings so we can insure everyone in the community without any discrimination. And when we do that, we can leverage down the cost of prescription drugs and insurance coverage for everyone. So I think this is our time when we can begin to have a discussion with the American people about what's important to them.

In Wisconsin paying your bills is just the way of life. So is working. Two feet of snow, three feet of snow, we're still there on time. So from our Wisconsin point of view, and I am certain it's true in Kentucky as well, people want to pay their bills. But what's happening today in households across my district is people are running faster to stand still. They are working harder to make a little bit more. But their energy costs for their gasoline, for the diesel; for the farmers, for their fertilizers, their feed, for their cows, the energy cost is escalating. That's called inflation. And on top of that, they can't buy as much with their hard-earned dollar. So what good does it do if you're milking cows and you're getting \$20 per hundred weight and your overhead is eating it up? The margin, your profit, is almost the same as when it was \$12 per hundred.

So we have to begin to change our Federal policies, and our budget must reflect not just our Nation's values but our true American traditional family values of pay-as-you-go.

Now, when I was just 12 years old, my grandmother from Poland taught me, Steve, if you see something you like and you've got the money, go ahead and buy it. If you see something you like and you don't have the money, don't buy it. And that's all you need to know about money.

We have to take that idea here in Washington as well and say, look, there are things we must do. We must defend our country. We must grow our economy, expand the middle class. At the same time, we have to protect our planet from global climate change and global warming. All of these are very complex issues, but it begins with money.

Now, my friend, I look at money as a problem solver. If you've got money in your pocket, you can solve some problems. And this government has built up such debts that we are now getting handcuffs on us, monetary handcuffs. Our debt load is so heavy, we are having more and more restrictions on what problems we can solve. So I think we have to get our financial House of Representatives in order, not just our congressional House but our financial house.

Mr. YARMUTH. I thank my colleague. And as we wind down, I want to do two things. One is to thank him for dinner, because that was very nice of him to be willing to stand in for me, not that I couldn't have paid, but he was generous enough to treat tonight; and, secondly, to talk about the concept of unity and community.

And on the dais to my colleague's right, there are several terms inscribed in that dais, but on my far left the term "union" is inscribed. And that's really what I think we have lost track of and lost awareness of in this country, that we are part of something that is very special. But it is a union. It's not 300 million individuals out on their own.

And we had an interesting hearing the other day in the Committee on Oversight and Government Reform, and basically the subject was on the subprime mortgage crisis, but it was also related to CEOs' salaries. And I'm not sure it was quite a good idea to combine the two, although they do provide kind of a stark contrast in which many of these companies, namely, Countrywide, had lost lots of money, and yet the CEO had left the company and was still making millions of dollars, \$37 million he left the company with.

But we also had the former chairman of Citigroup, the CEO of Time Warner, the former CEO of Merrill Lynch; so we had some of the giants of American industry there. And the topic of discussion kept alternating between the subprime mortgage crisis and also the question of CEOs' salaries. And it occurred to me, as we went through this discussion, that many of these CEOs make tens of millions of dollars a year in compensation, much of it related to stock options that they are given, so their compensation ultimately is related to their stock price.

And as the conversation went on, it finally came my turn to ask questions. And I addressed these giants of American industry, and I said, I can see how in a comparative market situation that the CEO of Citigroup, which is a \$35 billion company, may be worth \$10 million a year in salary. I don't have any complaint about that. And even if you lose money in a particular year, I mean if it hadn't been for the talents of the CEO, you might have lost more money; so maybe that was justified.

But what the American people see is CEOs making tens of millions of dollars, at the same time feeling, if not knowing explicitly what's on that chart, that their standard of living, even though they are working as hard as they have ever worked, is not improving. And if they are working for one of those companies at a relatively average position, while they are working hard, their standard of living is staying the same and the CEO's salary is increasing.

And we all know the data about the disparity between CEOs' salaries and their employees' salaries. It's gone from an average of 30 times in the early 1970s to now 400 or 500 times. And it doesn't matter whether you lose money; they still make these huge salaries. And I asked them, When you have these meetings in your compensation committees and you're deciding and discussing the salaries of your CEO and your upper management, is there

ever a conversation or have you ever heard of a conversation that related to how you might improve the lives of your employees, how you might stabilize the communities where your businesses are, how you might help to make this country a better place, or is all the conversation related to how you get the stock price up?

And the retired chairman of Citigroup said, very candidly and honestly, No, we only talk about share price. I said, That's a very unfortunate disconnect between what I think we all think is the objective, the ambition of this country, this Union, which is to make life better for everybody, to create jobs, to have everybody realize the American Dream, and yet our largest corporate citizens are only thinking about how they raise their stock price.

And I wonder, and I hope to be able to pursue this conversation with other CEOs of big corporations as I serve my terms in Congress. Do you ever talk about raising your standard of living of your employees? How do we get their wages up? How do we improve their benefits? How do we improve their health care situation? How do we stabilize that community and what can we do? And I know there are companies out there who are great corporate citizens. I have some in my own district who do that.

□ 2215

But if you don't have the corporate mentality that thinks about the same goals that the American people have, then we have a problem in this country. And I am not exactly sure how to go about it. But I know that the policies that are represented by our colleagues on the Republican side and by this been White House have been ones that say, we're going to do everything we can to facilitate that strategy of letting those companies do whatever they need to do to jack their stock prices up, and meanwhile we hope that it helps everybody else.

And I think that our budget says that we are not going to rely on just an abstract hope. We are going to take steps to invest in the American people, to put money in education, to put money in health care and to put money in infrastructure that will allow those people to make sure they improve their own standard of living.

So, we are going to have this debate for a long time. We will have it in this particular context in this budget debate, but as we go forward in this Congress, and in future Congresses. And I look forward to it because I think that the American people want us to do everything we can to help them realize their individual ambitions, and, again, to make ourselves a better Union.

So with that, I would just like to ask my colleague if he has any closing remarks, and then we will let everyone go home.

Mr. KAGEN. I appreciate your comments. And I have learned a great deal just working with you here in Con-

gress. And I appreciate your sacrifice of leaving your business and your life in Kentucky to work here in Washington even as you live back in Kentucky, as I work here in Washington and live in Wisconsin.

I will just remind you what we both agree on. We need to have not just a budget policy, but a tax policy that rewards work more so than wealth. Because what you see with this graph is that the people that are being rewarded are the wealthy who are not necessarily working as hard as people.

Now whose side are we on? We do not sit in a boardroom. We are standing on the workplace floor. We understand the pain and feel the stress that ordinary Americans are going through and families are making it just a tough time every single day. The policies that we are putting forward have to be people first, and our budget must not only be balanced, but we have to balance the other deficits that we face. We have a budget deficit, and we have a savings deficit. We have to become, once again, a Nation that saves money and not just spends money. We have to lead the way here in Congress.

And I look forward to working with you in the years to come and certainly in the next several weeks as we pass a budget here.

Mr. YARMUTH. I thank my colleague. And as I close, I just want to repeat what I have said to many people, and that is that it is such a great honor to be in this wonderful group of people, men and women, elected in 2006, because most of us came to Congress well past the age of 50. We came because we had done what we wanted to do in our professional lives or our business careers, and we said we wanted to make a difference.

We weren't here because we expected to spend 25 or 30 years in Congress. We didn't want to be professional politicians. We came because we wanted to see what we could do to change the direction of the country. And nobody is a better example of that than my colleague from Wisconsin, and I thank him for joining me tonight. I look forward to further discussions as we move forward.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. MITCHELL (at the request of Mr. HOYER) for March 10 and 11 on account of family obligations.

Mr. YOUNG of Alaska (at the request of Mr. BOEHNER) for today and the balance of the week on account of family illness.

SPECIAL ORDERS GRANTED

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

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