

I know that in a caucus that we have created that deals with sustainable energy and environment outcomes, that is a powerful place to share these ideas and grow the synergy that will produce the policies that take us forward.

Mr. BLUMENAUER. I appreciate that. And as I turn to my friend from Washington to conclude this session for us this evening, I do hope that our friends who are watching this program on TV, on C-SPAN, go to the President's budget. I hope they look on page 21. It is available at [www.budget.gov](http://www.budget.gov). There are copies available in libraries. Look on page 21 where the President outlines his goal. He is talking about putting a price on carbon pollution, yes, returning the benefit to the American consumer, the American economy to be able to reduce our dependence on foreign oil, to reduce costs for paying for utilities, to be able to spark that green economy.

You know, I am struck by people who are making things up about what is in the President's plan and outlandish numbers that are associated with it, and I think we have gone a long way tonight towards debunking that and talking about the real cost that the American consumer and the environment is paying right now. But I am hopeful that people will embrace this, like we embraced the Clean Air Act where, on a bipartisan basis, people decided that it wasn't fair to pollute the atmosphere with sulfur dioxide; that we were going to have acid rain, that we are going to poison lakes in your area and kill forests. We put a price on it, and we were able to make remarkable progress with a very light touch as far as the government is concerned. We have this opportunity with carbon pollution to do exactly the same thing. The stakes, if anything, are higher.

I hope that our friends on the other side of the aisle stop this line of argument that somehow the Clean Air Act was a mistake, that a few polluting jobs were worth the damage that it inflicted on the environment, and ignore the lessons that we have learned.

Congressman INSLEE, I would appreciate it if you would kind of take us home.

Mr. INSLEE. Well, I would take it home to say this is an American approach to a problem. It really is. We basically are following in the footsteps of what Americans have always done when they are presented with a problem.

Number one, when Americans are presented with a challenge, we act. We don't just sit around on our hands. Some people are saying we should do nothing about this. We believe we need a new energy transformation of our economy to deal with this. So that is number one, we act. We are not a passive people.

Number two, we act with confidence in our ability to innovate and find solutions to these problems based on technological solutions. Other people think we are just too dull to figure out

how not to just burn fossil fuels. We think we are smart enough that the people who went to the moon and invented the cup holder ought to be able to invent ways to solve this problem. So we act with confidence.

Third, we would like to act in a bipartisan way. You know, you would think that growing green collar jobs and saving the planet from global warming would be a bipartisan thing; but, unfortunately, so far in this debate we have advocated an action plan, and there is a thousand ways to skin this cat, there is various ways to deal with regional cost disparities, there is various ways to distribute the pool of revenue between research and helping low income people. There is all kinds of permutations that we are going to find a consensus on eventually. But, unfortunately, our friends across the aisle have just adopted a favorite movie of Ian Fleming, "Dr. No." They have just said no. And I hope that over time some of our friends across the aisle will join us in finding a consensus on how to move forward. If we do that, we are going to continue to enjoy successes in building jobs for Americans like we have in the wind energy industry.

I will just close with this one comment. People 4 or 5 years ago said that wind turbines were kind of child's play; they were a fancy toy of a bunch of fruitcakes out on the West Coast who were dreaming in their teepees of how to solve this problem. Today, America is the leading producer of wind power in the world, and more people work today in the wind power industry than in the coal mining industry and it is the fastest growing of energy in the United States.

This is the kind of future that we believe we can move forward in. It doesn't mean that we are going to replace coal necessarily. We are going to use this money that we are going to generate from this plan to try to find a way to burn coal cleanly, because we think we ought to look at all possible approaches to this problem. So we are going to act, we are going to be confident, we are going to believe in bipartisanship, and we are going to believe in innovation. That is the American response to this problem, and I look forward to when we get this done. Thank you, Mr. BLUMENAUER.

Mr. BLUMENAUER. Well said.

Mr. Speaker, we yield back the balance of our time.

#### ETHICAL ISSUES THAT NEED TO BE RESOLVED

The SPEAKER pro tempore (Mr. MAFFEI). Under the Speaker's announced policy of January 6, 2009, the gentleman from Texas (Mr. CARTER) is recognized for 60 minutes.

Mr. CARTER. Mr. Speaker, I appreciate being recognized for this time.

I have been coming down here now for 2 or 3 weeks talking about fact that we have some ethical issues that need to be resolved, and that is something I

think is important. I am going to try to frame that so you can understand why I think it is important.

Tonight, we have been talking about Mr. Obama's budget. I just enjoyed immensely the argument that was just made a few minutes ago about energy. And I really wish, sometime it would really be nice up here if we could do one of these things where we talk back and forth and ask questions. I would like to address that a little bit, because it is a big part of this budget. It is going to be this huge tax program that is being put together, and I would like some questions answered.

It seems to me that what I heard argued just a few minutes ago was that we have a real crisis with carbon, carbon dioxide. I think most Americans know that we are major producers of carbon dioxide. If you don't think so, take a big breath and then let it out, and you will have just produced carbon dioxide. So I think we realize that it is kind of a natural process that is going on. But if we need to fix that, then we need to slow down the amount of carbon dioxide going out into the atmosphere. And as I understand the proposal is that let's say you have a widget plant that is belching out carbon dioxide into the atmosphere in record numbers because it is burning, let's just use that horrible substance they were discussing, coal. And even though it is being scrubbed for the sulfur dioxide, which the Clean Air Act dealt with, it is still putting out carbon dioxide, the substance that is the part of the fuel of photosynthesis in plants across the entire globe, including the microscopic plants that grow in the oceans of the world, and it is just too much.

Now, the plan they are proposing in the President's budget, as I understand it, is that they will have to pay a tax that the government would say this is the amount of carbon dioxide we are going to allow to come out of one source, and the government would determine what that ceiling would be. It is called a cap. And then they would say, every bit that you put out above that cap, we are going to tax you on it because we are going to use the tax money to acquire some kind of credits that the people are selling that don't pollute. Or maybe they are not even going to that. Maybe they are just saying, we are going to tax you so we can do research and development on new energy, which is what they seem to be saying tonight. If that be the case, then how does that tax stop that carbon emission out of that plant? I don't get that. Maybe someone can explain it to me.

Now, I guess, yes, you could stop it if the tax were so onerous that the plant owner said the product that I am producing, and let's say on that particular plant rather than it being widgets it is electricity, that this is going to make my cost of electricity so onerous that I won't be able to sell my electricity so I will just shut down my electricity

plant. That is the way economy works. At some point in time when the cost is such that you can't make a profit from the product that you are producing, maybe you would shut it down. I don't understand how that would help particularly the energy problems of the United States, and I don't think that is what would be envisioned.

I think what would really be envisioned is that the evil corporation, if you will, would have to pay the tax and eat the tax. In other words, it would come out of their profits. Now, the evil corporation is really a group of American citizens and maybe other country citizens who have bought stock in the evil corporation, and they have invested their money in it in hopes that they would make a profit. And so is the solution that you think the corporation is going to do is that this tax that has been put on this coal emission is going to be paid by the corporation, which means by the stockholders, the owners, so they are just going the take less profit. At what point in time are the owners, that is the stockholders, going to be happy with their profit being reduced until they make no profit? I don't think very long. So then they would close down our power plant. But that is not what the solution is, either.

The reality is, and it is in every case in every industry demonstrated every day across the world, is that tax will then go to the consumer of the product that that company is selling. Therefore, the cap tax we just heard about from our colleagues on the other side of the aisle would be paid by the consumer. Unless you are sitting in the dark watching television by candlelight, you are probably using electricity in your home. I say that tongue in cheek, because I guess you could watch television with a battery. But the facts are you are burning electricity every day, and you are going to pay the tax.

Now, they are going to put a tax on oil and gas products because they create carbon emissions, CO<sub>2</sub>, the same as you create carbon emissions, by breathing. So they are going to tax the oil and gas industry. And guess who is going to pay the tax; the oil and gas industry is going to pass that tax on to the consumer. So if it is a nickel on a gallons of gasoline, the nickel is going to be yours to pay. If it is 50 cents on a gallon of gasoline, the 50 cents is going to be yours to pay, and the price of gasoline is going up.

□ 2015

The price of gasoline is going up.

There is a bigger picture here you need to see. If you could look around this room, this gigantic House of Representatives, you would see leather and wooden seats, beautiful carpeting, gorgeous lights everywhere, all these various paintings and tapestries on the walls, glass, brass, steel, concrete and stone. All of that is in this room right here. How do you think it got here?

How do you think the wallpaper up there got here? Did somebody bring it up here with a horse? Did they pack it on their back? No. They put it in a truck or on a train. And that truck or train delivered everything in this room to this building to be installed by the workers who got here in automobiles and pickups. So everything in this room was brought to you by motor fuel, including diesel fuel that burns in our trains that pull our freight cars. So everything in this room was brought to you by diesel or gasoline. So if tomorrow you were rebuilding this room, and if our new and wonderful "nobody in the middle class will have to pay tax increase" that we were just told by our colleagues, if that is there, then if it costs the wallpaper people extra money to get the wallpaper here because the price of diesel has gone up 20 cents a gallon, then the price of wallpaper is going up 20 cents a roll, or some equivalent, to make it up. If the brass manufacturers, if they are not using any kind of fuel to make brass, but they are shipping it here somehow magically, they are going to use diesel, because that is what drives our trucks. And the brass is going up, the concrete is going up, and the leather is going up. Everything in this room is going up because we have placed a new tax on fuel.

Now, is any of that fuel not being burned? No. That fuel is still being burned. Is there carbon going into the atmosphere? Yes. There is carbon going into the atmosphere. Guess who is paying this tax? You are. And you're going to pay it if you make \$10,000 a year, and you're going to pay it if you make \$10 million a year because you're a consumer. And so the tax is going to be passed down to the consumer. So when you say this is not a tax on the middle class, it is a farce.

That comes back to the issue of people need to make trustworthy statements when they say things around here. People need to explain things in a clear picture so the public can understand it. Then the American public needs to decide what is right and what is wrong. To me, I would like anybody to explain to me how this stuff would get here if it wasn't for a diesel truck or a train. I would like anybody to tell me how that would happen. Or maybe they fly an airplane in here on air freight, which is even more expensive and which is going to have an even bigger tax on it because it is a fuel guzzler and it creates carbon.

So what we have been told here tonight is that there is going to be no tax on the middle class. Yet, people who do something that I wouldn't do for a living, but sit around and calculate an estimate of what these things might cost, are saying that this new energy tax, this tax on energy is going to cost every household in America \$3,128 annually. Now maybe for somebody making \$250,000 a year, that hurts a little bit. But, boy, it hurts the heck out of the teacher in Round Rock, Texas, making \$32,000 a year. It hurts the heck

out of that truck driver that drives that truck that maybe makes \$30,000 a year or \$35,000 a year. If he is really a hustler, he makes \$50,000 a year. Everything he is going to use, plus the fuel he is burning, is going to cost him more. And the freight charges are going up.

So, wake up. You can't put a tax on something that everybody uses and not expect everybody to have to pay for the tax. It is just that simple. This is not rocket science. This is basic logic 101.

The reason we need to have ethical issues resolved in this House is because the American people need to learn to trust us to try to shoot straight with them. And those people who don't have a track record of shooting straight, at least you can make that conclusion because of accusations made against them, maybe you should worry about their leadership. Now, the question I would ask myself and you—and what my whole position has been on ethics issues is that these ethics issues need to be resolved so that you know you can trust when somebody stands up at that mic or that one over there or this one right here and tells you something, and you say, yeah, but what about that accusation? Hey, maybe it's not true. Okay, maybe it is not true. But it ought to be resolved. This body ought to resolve accusations that are made against the people that they have done something that is unethical.

Now, I'm not making the accusations. I'm telling you that the newspapers are making the accusations, the talk shows are making the accusations, the TV news at 6 o'clock is making the accusations, and people that claim to be the watchdogs of American politics are making the accusations. I just want them resolved. I want the Ethics Committee or the courts or whoever it takes to resolve the issues to resolve the issues, so that when somebody stands up here and tells you there is not going to be a tax on the middle class, but we are going to tax every kind of carbon-burned fuel, when 90 percent of the fuel, probably 95 percent of the fuel used for every purpose on the face of this Earth is carbon based, then do you know what? You're going to say, "I would like to know if that is somebody that is very trustworthy that I ought to be listening to."

I hope that is not convoluted logic. But I sit here and ask you, if you assume that what these gentlemen said tonight was true, and they are going to use this stuff for research to come up with alternative fuels, you tell me when is the first truck going to be invented with an electric motor big enough to haul freight down the highways of the United States? When is it going to happen? Nobody is talking about that. They are not talking about it because the electric engine that it would take to haul the loads of freight down the interstate to bring stuff to your home so you have the goods and the services of this Nation, that electrical engine would be as big as that

podium or bigger than the Speaker's tonight. In fact, they even make some electric engines that size in my district for ships in the sea. And they are gigantic, half as big as this room, to get the kind of torque, to get the kind of power out of electricity to pull a heavy load. So, think when you hear these things being talked about, how long will it take to get to a point that goods and services can be brought to you the way they are brought to you now without this tax being imposed upon you? I would submit, it is not decades. It may be centuries.

So, I'm a little off the subject. But when you start talking about this budget, this is the kind of thing we want to talk about. Can you honestly think that you're getting a straight shot when you hear about some of this stuff?

I'm very happy to see my friend from North Carolina. She is one of the real tough ladies in this House. VIRGINIA FOXX is here to join me. And I'm glad to have her. I will yield whatever time the gentlelady may use up.

Ms. FOXX. Well, I thank my colleague from Texas for starting this Special Order tonight and giving me a chance to come down and be you with you and spend some time talking about several different issues. I certainly agree with you that it is important for the American people to have faith and trust in their elected officials. And I think that there is a great deal of cynicism in this country. And people wonder what can they believe in? I think that it is important that when they hear us speaking on the floor, or they get letters from us, or they have other means of communications from us, that they know that we are telling them the truth.

When I first came here, we had folks speaking on the floor almost every night. A group of us who were new in the Congress that year, in 2005, were so concerned about the things that were being said that we established a group called the "Truth Squad." And we would come down at night after that group would speak and set the record straight by giving out what we thought were true statements. They were often very different from the statements that were being made by our colleagues. I think it is important that we do this on every occasion, because frankly, I think in the last 3 years or so, the American people have really been sold a bill of goods.

All of us would like to see things easier, better and less expensive. We would like to think that life would be a lot easier than it is. But we have challenges that we deal with every day. It is not likely that the government is going to be able to make our lives easier for us. Yet, that is what has been sold, I think, to the American people. We haven't had the benefit of having a large segment of the media on our side in order to be able to counteract some of those things that were said.

I want to give a little detail, put a little meat on the bones of some of the

things that you have been talking about in terms of what would this cap-and-tax plan do to us in the country? We have been told that everybody making less than \$250,000 is not going to be taxed in this country and that 95 percent of the people are going to get a tax cut. But let's talk a little bit again about the particulars of this. It is actually \$250,000 per couple. It is not \$250,000 for an individual. It doesn't exempt small businesses who often are taxed at the individual rate. So there are some minor little details in there in what has been told about taxes and about the budget that has been presented.

To go to your point about what the increase in taxes are going to do to the American people, you are absolutely right. Every single family is going to be paying for these ideas that are being brought up under the guise of "scientific knowledge." I don't know about you, but I haven't seen any conclusive proof presented that the science can support this. We know that President Obama himself said, "under my plan of a cap-and-trade system, electricity rates would necessarily skyrocket." So we know that is going to happen. But no one has explained to the American people how that is going to happen.

There was a piece done by FOXNews just a few days ago, I think somewhere around March 4, where an energy analyst, Margot Thorning, said: "In dollar cost terms, it is probably an additional \$700 to \$1,400 per family per year starting around 2012." That is right around the corner. So what the President says he is going to give is a tax cut. But that is going to amount to about \$600 to \$800, and at the same time, the families are going to be charged about \$1,400 more in energy costs. So what the government is going to give, it is also going to take away.

I think, again, what you're doing is great. I have pointed out many times that the North Carolina State motto is "to be, rather than to seem." I have brought that up several times on the floor because I think that is what the American people want out of us here in Congress.

□ 2030

The American people don't want us to seem rather than to be; and yet what is being done here in the name of science and in the name of protecting us from the climate change that they believe is occurring is going to be a pretty expensive trial as to whether or not this is going to work. And we don't know. It is an experiment, really. It is not proven science. We don't know that we are causing global warming with carbon. We have had global warming and global cooling even before human beings were on the Earth.

So I think it is a great thing that you are doing, to tie programs, budgets, proposals and policies to this issue of ethics because they are tied together and are very important. I want to commend you for doing that.

We have been joined by some of our very articulate colleagues here tonight, and I want to give them an opportunity to share their knowledge, their enthusiasm for this issue.

Mr. CARTER. Let me point out, I have a poster board here. Now some might think I have been picking on Chairman RANGEL too much, and I don't intend to do that, but this is to make my point. Chairman RANGEL is in charge of taxation. That is his job. He is the tax man of this House.

We have a little quote here from a real conservative news source we all love and adore, the New York Times, January 3, 2009, "Rangel Pushed for a Donation; Insurer Pushed for a Tax Cut." It is written by David Kocieniewski. "On April 21, 2008, Representative Charles B. Rangel met with officials of the American International Group, the now-troubled insurance giant, to ask for a donation to a school of public service that City College of New York was building in his honor," and I will point out named after him.

"Mr. Rangel had already helped secure a \$5 million pledge for the project from a foundation controlled by Maurice R. Greenberg, one of the company's largest shareholders and its former chief executive. And CCNY officials, according to the school's own records, had high hopes for AIG—a donation of perhaps as much as \$10 million."

Some may have heard of AIG. It has been a little bit in the news lately.

Now my point is that is an accusation made by the New York Times, not by me, not by any Member of this House. That is an accusation made by the New York Times that should be resolved because it is about our number one tax man, and our number one tax man along with the President of the United States is going to be championing the Democrat budget of \$3.6 trillion, a number that almost defies imagination.

We have gotten used to trillions in the last 60 days because we have seen lots of them. They are everywhere. This administration is throwing trillions around like tennis balls at Wimbledon and we are sitting here looking at a new little slight glitch of \$3.6 trillion. I would think that the average American looking at this budget would like to know that the people that designed it and the people that put it together shoot straight, deal ethically with issues. And they would like to know that, but they have an accusation from the New York Times that says contrary to that.

So is there a place to resolve that? Yes, we have one. It is called the Ethics Committee. But there is no action out of the Ethics Committee. It just kind of sits there.

So I guess our famous Rangel rule which now is on everybody's tongue about special privileges for Mr. RANGEL, I guess we add this to the Rangel rule. I don't know what else to do with it. If you have accusations and the Ethics Committee doesn't act, then they

just go away. Trust me, everything is okay because the Ethics Committee hasn't acted. Well, I think they should.

I will start, beauty over the beast. I have both MICHELE BACHMANN and LYNN WESTMORELAND here, and so I will turn to MICHELE BACHMANN to talk about the budget and about trusting those who are going to be giving us these numbers and these ideas and shouldn't we have the ethical issues resolved as they lead this Congress down a \$3.6 trillion path.

Mrs. BACHMANN. Mr. Speaker, I thank the gentleman from Texas, Judge CARTER, for yielding on that point. You could not have set up this segment better to talk about ethics and talk about those who are writing our budget, that they need to live under the laws that they are creating. You quoted from the New York Times article that said there are high hopes for AIG.

The American people had very high hopes for AIG, the largest insurance company in the world. They should, after all, the American people own AIG now. We own 80 percent of AIG. The American people have been forced to invest \$173 billion in this company. And they just found out that \$165 million, perhaps as much as \$450 million, has been paid out in bonuses to some of the executives at AIG. And the American people are outraged. They realize that is their money, and that money is going out on bonuses.

But then along came a story from CNN. And CNN said guess what, in President Obama's stimulus package earlier this year, we remember, that is the over-trillion-dollar bill that none of us were allowed to read because the Obama administration wouldn't release that bill until after midnight, and we started debate the next morning at 9 in the morning, contained in that stimulus bill is an interesting provision that was put in by the head of the Banking Committee on the Senate side, Senator CHRIS DODD.

Senator CHRIS DODD inserted a provision into the stimulus bill that said essentially this: it said that the bonuses that would be given out to any of these companies can stay with the people who get the bonuses unless they are given after February 11, 2009. In other words, these bonuses that AIG received are prohibited by the language in the stimulus bill from being recouped by the U.S. Government. We are prohibited. Our hands are tied. This is President Obama's stimulus bill and the chair, the Democrat chair of the Banking Committee, inserted an amendment that prevented the taxpayer from recouping any bonuses that would be paid out to the executives.

Now this is a curious thing because CNN also reported that the largest beneficiary of campaign donations in 2008 from AIG was Senator CHRIS DODD. So Senator CHRIS DODD, CNN said, was the largest recipient at over \$103,000, managed to slip into President Obama's stimulus bill, which he didn't give any

time for any Member of Congress to read, a provision that would have prevented the American people from recouping any of these bonuses.

Now I think that raises questions I would suggest along the line of the gentleman that you've been raising about the ethical requirements of the people who are serving the American people.

With that, I yield back to the Judge.

Mr. CARTER. I yield to the gentleman from Georgia, Mr. LYNN WESTMORELAND.

Mr. WESTMORELAND. I want to thank my friend from Texas for yielding.

Judge, I think what we have to look at is connecting the dots. We see in a lot of these children's puzzle books and stuff, you connect the dots to see the big picture. I think if we could see the picture of all of these dots connected, it would be hypocrisy that has come down from the Democratic leadership and we could go back to even when they first became the majority in January of 2007, because prior to that they talked about they had a way of lowering gas prices. Judge, you will remember gas prices went to over \$4 a gallon in some areas. They never told us how they were going to get that down. The only way that came down was what we did in August of that year, and really exposed the energy situation for what it was. And I think the speculators finally realized that we were serious about doing something for our own energy policy.

Then if you look at the problems that Mr. RANGEL has had. Just to list a few, the loan-subsidized apartments that he had, the fact that he was using letterhead to solicit some of these campaign contributions, the fact that he received the money from AIG and the other people who received some of this bailout, the fact that he didn't pay his taxes, if you look at that, that is not anything in itself, but if you connect the dots with all of the other things that are going on, I think that shows a picture that they did what it took to get elected.

We can look at that with what President Obama's campaign promise was, that he would drive the lobbyists out of the White House. And now he is writing waivers. It seems like every time he does an appointment, he has to write a waiver because they are a lobbyist. We have Mr. Geithner who was approved by the Senate as the Treasury Secretary who has similar tax problems. So you connect all of the dots, and what seems to be happening is we see a chain of events that may seem separate, but they are really kind of all tied together.

And then if you look at what President Obama's chief of staff Rahm Emanuel said, and I can't remember the exact words, but he said never let a crisis pass without taking advantage of it.

And so if you look at this financial crisis and what has happened and what

has taken place, look at how they are taking advantage of it with this \$3.6 trillion budget that they are proposing, with a cap-and-trade, which is another tax that is going to be on the 95 percent that he promised would never have a tax.

If you look at the bonuses for AIG, well, the reason that they are getting the bonuses is because the government intervened into that business. If the government had not intervened and saved AIG, I don't know what kind of financial calamity would have been out there, but I promise you these guys wouldn't have gotten a bonus. So we enabled them to do that. So now what's the government going to do? Everybody is in an uproar over these bonuses being paid to these executives, as well they should. But now is the government going to say we have a crisis, we need to step in and intervene in contracts between employers and employees? And so this is another one of these crises, for the government to take one more step into our lives and into our businesses.

So this is a connect-the-dot picture that we have got to keep in mind. This is a lot bigger than what we ever anticipated or that the American people would think that they were getting.

Mr. Daschle was another one. Ron Kirk. We could go on. Ms. WATERS, and others.

Judge, has the Ethics Committee met, because if I remember correctly back in November, Speaker PELOSI said that she was going to have this Rangel problem resolved by the end of December of 2008. I guess she did that for the elections, but it is not resolved yet, and I have not even heard of them having a hearing.

Mr. CARTER. I haven't heard a peep out of them. Just recently, we have another story that has come out from the Congressional Quarterly, "Waters Calls TARP Meeting for her Husband's Bank." This is by Bennett Roth, part of CQ staff.

"Watchdog groups claimed Waters took inappropriate actions on behalf of OneUnited Bank which received financial assistance from the Federal Government last fall. Waters, a senior member of the Financial Services Committee which oversees banking issues, last year requested a meeting between Treasury Department officials and representatives of minority-owned banks, including OneUnited on whose board her husband, Sydney Williams, had previously served. He also held stock in the bank."

That's not our accusation, that's an accusation by a publication that is read regularly in the halls of Congress and informs us of what is going on. That is an issue that should be addressed by the body that is required to address it, the Ethics Committee.

□ 2045

Is that unethical behavior? Possibly not. Possibly it is. But she is the chairman of the Subcommittee on Housing

and Community Opportunity, which means that whatever housing there may be in the Obama bill, this \$3.6 trillion Obama bill—and Lord, for that much money there ought to be a couple of houses in there anyway—then if that is the case, she would be the spokesman for the housing attitudes of the U.S. Government of the majority party, the Democratic Party—who run this place, by the way. If nobody gets it yet, the majority rules in the House of Representatives. So when you have 38 more votes than the other guys, you win, they lose. That's the way it works. If you've got one more vote and everybody stays with you, you win, they lose.

So they own all of this. This Bush bashing that we hear around here, wake up. The man is hanging out in Crawford chasing cattle; he's not doing this job anymore. This is your job, the Democratic Party's job. They are doing this job here, with the leadership of Barack Obama, their President. He, with their help, proposed \$3.6 trillion.

And when it comes to housing, we must rely upon MAXINE WATERS, the leader of that subcommittee. That issue ought to be resolved. I think that's important.

This is the whole point of this whole thing. You know, this banking thing, we are all worried to death about this banking thing. And I don't think any Member of Congress—or for that matter, any American—isn't concerned about this tightening, choking down of credit that has taken place in the United States. And therefore, the entrepreneurial spirit of America is being choked down because of stupid mistakes that were made by the government. And let's maybe talk about those for just a little bit. And I will first yield to MICHELE BACHMANN.

Mrs. BACHMANN. I thank the gentleman for yielding. And I am wondering when it will be that Congress will finally have hearings on itself and on the culpability of Members of Congress for this housing meltdown.

We look at individuals who were involved in shielding Freddie and Fannie for years from any sort of tightening, any sort of regulatory burden, any sort of accountability, any sort of transparency—for years. We look at comments that were made even by the current head of the Financial Services Committee. I sit on the Financial Services Committee. And the chairman of our committee, BARNEY FRANK, had made statements when he was confronted by former Treasury Secretary John Snow that Freddie and Fannie were in deep trouble. And he also foretold of a housing collapse that he was portending on into the future for the United States. And the comments from Representative FRANK were, don't worry, everything's fine; there's no problem with Freddie and Fannie. People knew we were looking at a meltdown.

When are we going to have those hearings? When are we going to hear

from Members of Congress, their culpability in bringing about this housing meltdown, about the Members of Congress who loosened and relaxed the platinum level standards of lending in our country? We had platinum levels of standards of lending for over 200 years in our country. Those lending standards were so reduced, that created our subprime mortgage mess. It even created a problem in prime mortgages because the lending standards were so reduced. That just didn't happen in the free market, because private businesses, they want to limit their risks. It was the Federal Government that forced these private businesses to maximize risk. With what? The promises that good old Uncle Sam, the chump called Joe taxpayer would bail these businesses out—AIG, Freddie, Fannie—if anything went wrong. We need to have a hearing where Members of Congress are called on the carpet for their involvement in leading to this housing collapse.

I yield back.

Mr. CARTER. And just another little news story here that broke. This is a former colleague of ours. He is now maybe in one of the most powerful positions in the United States, he is the Chief of Staff of the White House, Rahm Emanuel. This is from ABC News, a very conservative source. "Emanuel was Director of Freddie Mac during the scandal. \$25,000 Freddie to Emanuel equals \$200 billion taxpayers to Freddie," written by Brian Ross and Rhonda Schwartz.

"President-elect Barack Obama's newly appointed Chief of Staff, Rahm Emanuel, served on the board of directors of the Federal mortgage firm, Freddie Mac, at a time when scandal was brewing at the troubled agency, and the board failed to spot red flags, according to government reports reviewed by abc.com. The actions by Freddie Mac are cited by some economists as the beginning of the country's economic meltdown."

"The Federal Government this year was forced to take over Freddie Mac and his sister Federal mortgage agency, Fannie Mae, pledging at least \$200 billion in public funds." And that is not my news story, that is ABC's news story.

And of course our Ethics Committee, bless their hearts, I don't think they have to deal with Mr. Rahm Emanuel. I think maybe the White House has to deal with the issues of Mr. Rahm Emanuel, and maybe they should. But it is the White House budget that we're talking about, and he is the chief policy officer of the White House. So I would assume that Mr. Rahm Emanuel's fingerprints are all over this budget. And I would expect Mr. Rahm Emanuel to be a spokesman for this budget. And we all can watch, in breathless anticipation, and see if I'm telling the truth. But let's watch and see. But those sort of things ought to be cleared up with the American people because at least one news source is say-

ing this was the start of the crisis we're in, and he was right in the middle of it. So those are the kinds of things we have to look at.

Mr. SCALISE has joined us. I will yield such time as you would like to have to comment on what we're talking about here today.

Mr. SCALISE. Well, I want to thank my friend from Texas for hosting this and really helping unravel the mess, as Americans all across the country are very frustrated, they are angry about what's happening with our economy, they are angry when they read about what happened with AIG. And then I think they get cynical when they see some of the very people who helped create this mess going on all of these talk shows over the weekend, pointing their fingers everywhere else other than themselves and saying it was this administration or that administration.

You can find more than enough blame to go around, but if you really go back to the root—and I think you've started to touch on it—the problems that existed with Fannie Mae and Freddie Mac, going back to the Community Reinvestment Act, going back to the 1990s when a gentleman who represented part of my State from Louisiana, Richard Baker from Baton Rouge, who actually sat on the Financial Services Committee, he had the guts to go and take on Fannie and Freddie back in the 1990s, and he exposed all of this. And this is all out there on the Internet, it's information you can actually go and verify. You can look at those hearings—and many Americans already have. And for those who haven't, it would be a really good history lesson to go back and look at those hearings that he had as he was calling on the government to finally reform these institutions who were being encouraged—not by some bank on Wall Street, not by George W. Bush, this goes back to the Clinton administration—but it was people in Congress, some people who are right now chairmen of these very committees that have oversight, and he was fighting and saying we have got to reform Fannie and Freddie because this entire situation is going to melt down.

We've got institutions that are encouraging people, using the strength of the Federal Government, encouraging people to give out loans to people who don't have the ability to pay. And Members of Congress who are in leadership positions today were giving edicts to Fannie and Freddie saying go out and give those loans to people who don't have any ability to pay, when people all across our country—people in my district, your district—people who are playing by the rules today go out and want to get a home mortgage, they have to prove their ability to pay, they have to prove that they've got equity, they have to put up maybe 20 percent, they've got to fill out a bunch of forms. And ultimately they make their payments. Over 90 percent of the people in this country, even in these tough

economic times today, are making their payments on their mortgage. Yet, you have a small group of people—some who actually lied on their application, but some who were encouraged by the Federal Government to get loans that they didn't have the ability to pay by these institutions, Fannie and Freddie. And people like Richard Baker, back in the 1990s, were saying we've got to reform this corrupt system. And yet, some of the very people who are now yelling at the top of their lungs at the top of this Capitol saying, blame this guy and blame that guy, they were there defending Fannie and Freddie. And it's all out there on the Internet, you can actually go and see it.

And yet, when you look at what happened with AIG just 2 weeks ago—and of course, again, you've got the record to go and check it—President Obama's spokesperson was asked about the next \$30 billion that the Federal Government released to AIG. And they said, what do you think about the money that AIG has already gotten so far, the \$150 billion they had already gotten; they said, do you think that that money has been spent properly? And the White House actually said yes. They said, yes, we think AIG has done good things with the money.

Now, clearly AIG has not. AIG has been caught giving bonuses, hundreds of millions of dollars—up to \$6.5 million for some executives—in bonuses with taxpayer money. And some of those very same people are yelling and screaming at the top of their lungs. And we are all outraged, but Americans that are outraged are looking at this and they are getting very cynical because they are saying, wait a minute, we can actually go back and unravel this, we can look and see some of these same people. And those of us who voted against the financial bailout last year because we knew this was the wrong approach, we knew giving taxpayer money to help these financial groups on Wall Street who made irresponsible decisions, we knew that was bad public policy, but yet some of those very same people who voted to give the money are now yelling about how the money is being spent, even though they allowed the money to be spent that way. It was a wrong approach then. We should have never done it. We're seeing how flawed that system is now. But I think people across the country, they do get it. They are seeing what's happening out there and they are realizing that some of these very same people that are yelling at the top of their lungs and expressing outrage were the ones who actually voted to give that taxpayer money away.

Mr. CARTER. Reclaiming my time, you mentioned Wall Street. And Wall Street has taken a big hickey here lately. And you know who really took the hickey was the American people. And one of the things that I think everybody dreads doing almost as much as taking out the garbage is looking at

their 401(k) or their pension plan after this last 60 days of the Obama administration and this trillion dollar leadership of this Democrat-led House of Representatives.

Mr. WESTMORELAND. Can I interrupt the gentleman? It's not the last 60 days, this is his first 60 days.

Mr. CARTER. First 60 days, yes. Thank you for correcting me.

And then, lo and behold, under the President's budget, taxes on capital gains and dividends would increase from 15 to 20 percent, increasing their taxes on investments by \$398 billion over 10 years. So if the poor old guy whose 401(k) is almost used to wrap the garbage in, if he starts to have any kind of rally on the stock market at any time in the foreseeable future—at least the next 10 years—this budget we are being asked to pass, this \$3.6 trillion budget, is going to raise the taxes on his poor little old beat-up 401(k), or on your pension plans. This is a direct tax on American families.

And believe me, contrary to popular belief by the other side of the aisle, there are a lot of people in this country who make a whole lot less than \$250,000 a year who own stock in corporations in America because they believe in the free enterprise system. They have invested in a way they feel is adequate to be good for their families, and they will be hit by this capital gains tax.

I will yield to Mr. WESTMORELAND.

Mr. WESTMORELAND. I thank my friend from Texas.

You were talking about Wall Street, the large banks that got the bulk of this TARP money. Our local community banks and some of the smaller banks did not get this. And the whole reason that this Congress—and I didn't vote for it, but I think a reason that the people that did were sold a bill of goods by then Secretary Paulson that this was going to unfreeze the credit market, but it has not done that.

And what has happened to the FDIC—and I'm not sure if the gentleman has heard this yet, but I had some of my local bankers call me, going from \$100,000 to \$250,000, their premiums are going up. That is the way the FDIC is funded is through premiums on this deposit guarantee. And so they are going up on the premium. And so now they are not only having to pay a high premium on \$100,000, but the high premium on \$250,000. But here's the kicker; they are going to be charged a one-time fee from the FDIC on their deposits—I think it is, or their assets.

To my friend from Texas, I was told today by somebody in our Georgia banking community that if you took all the profits of all the banks in Georgia and added it together, the fees that these banks were going to be charged would be more than the money that they made all last year. Now, that is a double whammy on the small community banks that have been basically responsible for funding our small businesses in our communities that have not had access to this TARP money.

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So what has happened is the big banks and the FDIC and the others who have let this situation get way out of hand are here again sticking their money down and getting the investors and the shareholders from these local banks their money. And these banks are owned by local people.

I know we're getting short on time, but I want to thank you for doing this. And I think we need to remember that we need to continue not only with some of these ethics that you brought up, but we need to connect all these dots and get the clear picture of where this new administration and this larger majority is trying to take this country.

Mr. CARTER. Well, I agree.

Reclaiming my time, I thank Mr. WESTMORELAND for pointing that out. And, actually, I have talked to my community banks too, and they are very concerned about the massive increase in their assessment by FDIC and the fact they're going to have to pay a premium. But also what's really sad is they're the guys who made good loans. See, what people don't realize is that these community banks can hold their heads up high. They're not asking for TARP money because they didn't make bad loans. They stuck to the banking principles that their boards of directors made, and they stayed away from the pressure, with some exceptions, but in the vast majority of the cases across this country, the community bank system made sound, good business decisions. And now, unfortunately, because of the way it works, they are going to have to pay the penalty for those people who went off and made bad loans.

Now, we understand and I think our bankers will tell you they understand that's how the FDIC works and it's a program that they rely upon. But it still is part of that old "taint fair" system that you and I have been talking about for the last couple of days.

I want to bring up just one more thing that's in this budget that I think is going to be a real issue for some awfully important people in this country. This budget that they've got out here caps the value of itemized deductions at 28 percent for those who have income over \$250,000 married or \$200,000 single, which will reduce charitable giving in this country by \$9 billion. You know, I don't know why in the world you would want to hit the charities, the Cancer Society, the Heart Fund, the First Methodist Church, or the Third Baptist Church, why you would want to hit those people's pocketbooks to fund \$3.6 trillion, but to me, that's questionable. We ought to be questioning that, and we ought to be saying why in the world do we have to basically put a burden on charities? And then tomorrow, tomorrow, we're supposed to vote on a bill to pay volunteers with taxpayer dollars. So we're going to pay volunteers with taxpayer dollars rather than encourage private sector donors to take care of community problems that they all work hard

to take care of. This is nuts. This is European socialism at its best.

Americans have hearts of gold. One of the things that the American people liked that Ronald Reagan said about them was he reminded them that deep down inside every American there burned that flame of liberty and freedom that made them good people who were all heroes because they got up in the morning and they went to work and they took care of their families. And yet it seems that whoever put together this budget doesn't view America that way. They view it differently.

Finally, something that I have been appalled with forever is taxing death. A guy works all of his life. He pays his taxes. He takes care of his bills. He works double shifts and works hard. He acquires some property, and that property gains value, whatever the property may be. And he's happy because he's been an honest taxpaying citizen. And then he dies, and lo and behold the United States Government wants to come in and tax him on his death.

Now, I have a good friend, and I'm not going to use his name because I don't have his permission to use it, but he is from Clayton, New Mexico, and he'll know who he is, who had a beautiful ranching operation in Clayton, New Mexico, when I knew him at Texas Tech University and he was a buddy of mine. And he had two really nice ranches in that area, the home place and another ranch. I ran into him in Rocksprings, Texas, a while back, and I asked him how he was doing, and he said, "Well, I'm living in Texas now. I'm ranching in Texas."

I said, "What happened to Clayton, New Mexico?"

He said, "The taxman took it." He said, "When my dad died, I had to sell land, and the only land I could sell was the home place, which was the best place; so that only left me with our worst little ranch. I traded that for a small place down here in Texas, and I'm down here scratching out a living on about a third of what my daddy worked and fought for and my great-granddaddy and my granddaddy died for in fighting to tame that part of New Mexico."

I don't know. I find that's pretty offensive to me. Why does the United States Government deserve to put the fourth generation of that family out of the ranching business so they can tax a guy that has already paid his taxes? But that's headed our way in this new \$3.6 trillion budget.

I'm not going to tonight go into the rest of the examples that I have here. We'll go into those another time. But I hope I've made it clear that my purpose to get up and talk about these ethical problems is not to make the kind of accusations that were made two Congresses ago against the Republican Party about "culture of corruption" because I don't think that's appropriate. I am only pointing out there are issues that have been raised by the watchdogs of this Congress, the press, that should be resolved.

Mr. Speaker, I appreciate your patience and thank you for this evening.

#### HEALTH CARE REFORM

The SPEAKER pro tempore. Under the Speaker's announced policy of January 6, 2009, the gentleman from New Jersey (Mr. PALLONE) is recognized for 60 minutes.

Mr. PALLONE. Mr. Speaker, I came to the floor this evening to talk about a topic that's very much on the minds of my constituents and many Americans, and that's health care reform. I think that many of us know that President Obama has paid a lot of attention to this. It was a major focus during the campaign. And since he's become President, he's already addressed health care reform in some significant ways, both in the SCHIP, or Children's Health Care expansion legislation, that was passed in the House and the Senate and signed by the President about a month ago, as well as in the economic recovery package, which has several initiatives related to health care reform. I would like to talk a little bit about those tonight, but I'd also like to talk about where we go from here.

The President had a health care summit about 2 weeks ago where he talked about health care reform and outlined what might be done in this Congress. He said he wanted to get the health care reform bill passed and on his desk this year if at all possible. And he's also in his budget outlined some ways of paying for it through cost efficiencies and other means. So this is an issue that's very much on the mind of the President and certainly on the mind of this Congress, and, also, we have begun to move in the committees of jurisdiction. I happen to chair the Health Subcommittee of the Committee on Energy and Commerce. We have already had 2 weeks of hearings on health care reform, and we are going to continue doing this for the next few weeks and then begin the process of drafting legislation.

Now, I wanted to stress that this is an economic issue because some, not many, but some have said, well, the economy is in bad shape, Congress is so focused on trying to revive the economy, whether it involves the banks or it involves unemployment or involves the economic recovery package in an effort to try to stimulate the economy. Why are we talking about health care reform right now? Can't we delay? And the President and those who attended the health summit that President Obama held a couple of weeks ago, both Democrats and Republicans alike, as well as the business community and the health care providers, the doctors, the hospitals, but, interestingly enough, even some of the people who have opposed significant health care reform in the past were all united in saying that this is the time to do it, that we shouldn't wait. And the reason they say that it's important to do it now even with the recession is because

increasingly the health care system gobbles up, if you will, a larger and larger part of our gross national product. It goes up maybe 1 or 2 percent every so many years in terms of the amount of our gross national product that is dedicated to health care. And as those costs escalate, and they escalate exponentially sometimes, the health care inflation, if you will, increasingly makes the system unsustainable and, as a result, has a direct impact on our economy and drags down the economy in many ways. So health care reform is an economic issue. It needs to be done now. And a big factor in the reform is how can we slow the growth, keep down the inflation, take some of the savings that would be generated from cost efficiencies and use it to provide health insurance for everyone? Because the goal, obviously, is to provide health insurance for every American.

Now, in the context of this, the other important aspect that I think came out of the President's health care summit and that he continues to stress is the fact that we want to make these changes in the context of the existing system. We're not looking for radical changes in the way that we deliver health care or the way that people are covered by health insurance. We're not looking towards, for example, the Canadian model or the Western European models where they have a single payer system or perhaps where the government even runs a significant part of the system. What we want to do is build on what we have, and that really encompasses three areas, three general areas.

One is the existing public health programs like Medicare, Medicaid, SCHIP for children, and there are many others like the Indian health care system or the system for the military. We want to make those better. We want to make those more efficient. We want to make sure that they have adequate coverage and that they don't result in too much money having been spent out of pocket by the average American. So that's the first part of this reform. What can be done to improve those existing government programs like Medicare?

The second aspect of this is what can we do to improve employer-sponsored health insurance? Most Americans still get their health insurance through their employer. The number has actually decreased significantly in the last 10 or 20 years as a percentage of Americans who get their health insurance through their employer, but it's still pretty big. It's still certainly a majority of the people who do receive health insurance through their employer. Well, the second part of our health care reform is to make sure that that system is shored up, in other words, so that employers continue to provide coverage for their employees, perhaps even get more employers to do that by giving them some kind of a tax break or a subsidy or looking at other ways of encouraging them to cover their employees.