

and creates a deficit. Our budget improves every single year and achieves a surplus in 2019 which is when the Obama budget has a huge deficit and a huge debt.

Under our budget, the national debt will decline by more than \$6 trillion, compared to the President's budget which averages deficits of more than a trillion dollars a year. It is true that we give tax relief, but that is important. Again, we want the American people who earn their money to keep more of their money rather than turning it over to the government under duress and allowing bureaucrats to spend that money.

We will also fully fund defense which is the number one role of the Federal Government. Our colleagues on the other side of the aisle constantly forget to talk about that. The Federal Government is the only government in our country that can provide for our defense. We suffered a terrible situation on September 11, 2001, and we have not had another episode since then because the administration kept us safe.

We also create a zero-growth baseline for nondefense spending, and we assume repeal of most of the provisions in the so-called stimulus bill. We make no changes in Social Security, Medicare and Medicaid. However, we do clamp down on wasteful and low-priority mandatory spending. We are also going to assume savings from an earmark moratorium, something that the American people desperately want to see.

PRESIDENT OBAMA'S BUDGET

The SPEAKER pro tempore. The Chair recognizes the gentleman from Colorado (Mr. PERLMUTTER) for 5 minutes.

Mr. PERLMUTTER. Madam Speaker, I was just listening to my good friend from North Carolina, and she and I are friends. We serve on committees together. We agree on a lot of things, but we couldn't disagree more on how we got into this place and what it is going to take to get out.

We had an administration and a Republican Congress that said America, it's okay to give tax cuts to the wealthiest people in the country and have wars in Iraq and Afghanistan and go into debt.

Well, it turned our country from a very prosperous Nation into one that was borrowing money from all across the globe, something that can't go on forever. And it finally came home to roost about 6 or 7 months ago when the banks had trouble, the automakers had trouble, everybody saw our economy just crunch like we hadn't seen it in generations. That's what we are faced with today, ladies and gentlemen. That's what we are faced with today, Madam Speaker.

So what are we going to do about it? Well, in the past month we passed the stimulus bill which is designed to do at least five things to get our country back on track.

First, it rebuilds our infrastructure, our roads, bridges and waterways. It builds a new energy grid so we can get power throughout our Nation in a cheaper and more efficient way.

Second, it creates a new energy economy. If we want to keep sending tons and tons of money across the waters to the Middle East, then we should do nothing, keep the status quo. That's what our friends on the Republican side of the aisle would like us to do, just vote no, we like the status quo. But I don't like the status quo. I don't like sending our hard-earned dollars to the Middle East year after year after year, and we are creating a new energy economy within the stimulus bill.

We are helping our States which have found themselves to have lost lots of revenue over the last 6 months, so they can continue to employ teachers and firefighters and policemen. So we are helping our States continue to provide the services that we so desperately need right now.

There are tax cuts within the stimulus bill and within the budget for almost every American, but not the wealthiest 5 percent, so that each one of us gets a little bit of a break, but we are not giving it to the top people who have had the break for the last 8 years.

The last thing it does is it provides assistance to people who have been laid off and need assistance with unemployment or with their COBRA health insurance so they don't just run into a wall, to get us through this difficult period.

President Obama inherited a budget deficit that was \$1.3 trillion. It is a lot of money. It is more than any of us can comprehend being in the red. When President Clinton left office, we had a budget surplus. We were paying off the debt, and we got just the opposite when President Bush left office.

We are doing three things in particular to get us out of this predicament. First is to provide a new energy economy, similar to the stimulus, but the budget moves this forward another 4 years.

Second, it deals with health care which is something that everybody has talked about for years but really little has been done. And for each company out there, for each individual, we have seen our health care costs going up. We have to come at it a whole different way, and that is what the budget proposes.

The third thing is to make sure that our education system, our kindergarten through 12th grade, and then our higher education system is the best in the world so we continue to be able to compete globally, so that business comes here and stays here and doesn't go overseas like it has been doing.

It is a very ambitious agenda, but it is one that is going to take us into the 21st century, something we didn't do during the last eight years of a Republican Administration. We just lived on borrowed time and borrowed money. And now it is time to move forward.

The budget that has been proposed reflects those particular values. At the same time, it maintains for middle America, for 95 percent of Americans, smaller taxes. But it is a difficult predicament we are in now. This President has provided to the Congress a budget that is going to get us out of this ditch, and it is going to take the work of each and every one of us to move forward.

BUDGET DECIDES AMONG PRIORITIES

The SPEAKER pro tempore. The Chair recognizes the gentleman from Kentucky (Mr. YARMUTH) for 5 minutes.

Mr. YARMUTH. Madam Speaker, this week the House will consider the budget resolution for fiscal year 2010. As with any budget, whether it is a household budget or the U.S. Government, the process involves deciding among priorities. And in the case of the Federal Government, it is deciding among priorities, all of which have legitimate public benefits.

Last week, the Budget Committee marked up the resolution. One of the amendments offered by our colleagues on the other side of the aisle proposed one of those decisions. Mr. HENSARLING and Mr. MCHENRY proposed to strip \$50 million of funding for the National Endowment for the Arts and direct those funds to be spent for veterans' health care facilities. I applaud them very much for their interest in veterans' health care.

And I am happy to remind them and everyone else who is watching that over the past 3 years, the Democratic Congress increased funding for veterans' health care by \$17 billion. And that is following 6 years under their party's rule where the number of vets actually receiving care declined.

□ 1100

Unfortunately, the debate on their amendment the other night left a lot to be desired as it actually became an opportunity for somebody to take cheap shots at arts funding that are not borne out by logic or facts. We just heard a little earlier the gentleman from South Carolina say arts funding is wasteful spending. Well, this day by fortuitous coincidence is Arts Advocacy Day, and I'd like to make the case for NEA funding, because, although that amendment was defeated in the Budget Committee, it may rear its head this week as well.

Mr. HENSARLING supported his amendment by juxtaposing the health care needs of one of his constituents, a legitimate American military hero from Palestine, Texas, against funding for the arts. He implied that he didn't represent constituents who would benefit from arts funding. Well, I represent some legitimate American heroes as well, but I also represent Actors Theater of Louisville, a world-renowned institution; the Louisville Ballet; the Louisville Orchestra; the Kentucky

Opera and dozens of other arts groups; 7,700 employees of arts groups; and 1,500 arts-related businesses. I represent Ken von Roenn, a glass artist whose work decorates Reagan National Airport. He created an institution called Glassworks which has brought hundreds and thousands of people to Louisville, made it a national center for glass art and has provided a great economic generator in Louisville.

In total, the arts contribute in my district alone more than \$250 million annually, including \$100 million on arts-related spending like restaurants and hotels and so forth. All told last year, 5 million people attended arts events and cultural events in my district and they paid \$5.6 million in local taxes.

Now I don't know a lot about Mr. HENSARLING's district or Mr. MCHENRY's district, but I do know this: I know in Mr. HENSARLING's district there are 1,317 arts businesses employing 3,229 people. The economic impact of the arts in Dallas, which he represents part of, was \$550 million in 2006. In Mr. MCHENRY's district there are 947 arts-related businesses employing 3,043 people. In North Carolina, there are 17,000 businesses employing 159,000 people. Nationally, the impact of the arts is \$166 billion, 5.7 million jobs, \$104 billion in household income, \$7.9 billion in local taxes, \$9.1 billion in State taxes and \$12.6 billion in Federal taxes. Now somebody may say that that's not an economic benefit, but I believe the facts are contrary to that. And listen to what the Chicago Tribune wrote in an editorial back in February talking about the stimulus funding for the arts:

After all, the argument that the labor-intensive arts are not job-creation engines is patently absurd; they just fuel different kinds of struggling workers, workers unaccustomed to bonuses. Their role in generating billions of dollars in ancillary economic activity for stores, restaurants and the travel business has been proven in bucketloads of surveys and analyses.

Let's think about the arts funding in another way. Fifty million dollars as a percentage of this year's budget is one seventy-thousandths of the budget. For someone who's trying to decide how to spend \$35,000 in annual income, their personal budget, it's 50 cents. That's the equivalent amount. I don't know one American probably who hasn't bought a CD, hasn't gone to a movie, hasn't gone to a concert or gone to a play and spent a lot more than 50 cents.

Mr. HENSARLING offered the contrast of one piece of sculpture—a selective one at that—to a veterans clinic, but I would offer another picture: a picture of an F-22 jet fighter, \$143 million for one jet fighter plane.

This is about priorities and the arts are an important priority for this country.

FISCAL YEAR 2010 BUDGET

The SPEAKER pro tempore. The Chair recognizes the gentleman from Virginia (Mr. CONNOLLY) for 5 minutes.

Mr. CONNOLLY of Virginia. I thank the Speaker.

Madam Speaker, listening to some of our friends on the other side, I am struck sometimes with the idea of—have you no shame? The crowd that brought us from record surpluses in 8 brief years to record deficits—have you no shame? The crowd that rode this economy, a healthy economy that was growing jobs, into the economic ditch—have you no shame? The crowd that oversaw the dismantling of strict enforcement of regulation and prevented regulation of the financial services industry to any great degree when it came to complicated financial instruments and then is surprised at the results—have you no shame?

Madam Speaker, today I rise to discuss the fiscal year 2010 budget and its critical importance to our Nation's future. The latest estimate of our 2008 fourth quarter GDP decline is now 6.3 percent. After a record job loss of 681,000 in December, January and February losses both topped 650,000. Almost 2 million Americans have lost their jobs in just the last 3 months. The Federal Reserve has estimated that GDP for the entirety of this year will decline between 0.5 percent and 1.3 percent, which underscores the dire need for action. Every further contraction in our economy represents additional Americans who lose their jobs.

President Obama has set a bold agenda to heal our ailing economy. While no one action will instantly fix the economic troubles we have been left by the Bush administration, the President and this Congress have taken a number of steps to put us on the path to recovery. Like many of my colleagues, I have already seen positive effects of the American Recovery and Reinvestment Act in my district:

A community health center at risk of closing its doors received funding and is treating patients today.

Local small businesses that were laying off workers are now rehiring them to complete transportation projects.

But there's more to accomplish. President Obama's vision is transformative and provides for the critical investments in America that have been neglected for far too long. Deficit reduction, middle-income tax relief, health care reform, education and energy independence are the linchpins of the President's plan.

Under President Obama's plan, at the end of 4 years, we will have cut the current year's deficit of \$1.8 trillion, most of it inherited from President Bush, by two-thirds, to \$586 billion. The fiscal year 2010 concurrent resolution on the budget reduces nondefense discretionary spending over the next 10 years to its lowest level as a percentage of GDP in almost 50 years. This Congress expects similar fiscal responsibility from the private sector and that is why

the Budget Committee cut \$250 billion reserved for future financial sector bailouts.

The President's vision supports the middle class by expanding the child tax credit, maintaining the elimination of the marriage tax penalty, carrying forward the Making Work Pay tax credit, maintaining the estate tax and capital gains tax reductions, and ensuring that the alternative minimum tax does not hit the millions of working Americans in danger of being affected. There are \$1.5 trillion of tax cuts in this budget.

The President's vision supports meaningful health care reform as well. Even as overall health care costs rose over the last 8 years, the number of Americans without health insurance increased from 13.7 percent of the population to 15.3 percent. Under the President's proposal, we will be able to offer health care to the 46 million Americans currently without coverage.

The President's vision invests in energy independence and promotes a clean energy economy that creates jobs. For too long, a sustainable and clean energy policy has been ignored and our dependence on foreign oil has grown. Increasing our investment in energy efficiency and renewable energy technologies will promote America's energy independence and safeguard our environment through a reduction in greenhouse gas production.

In recognition of the critical role that education plays in our economic productivity, the President's budget builds upon the classroom support provided in the Recovery Act. From enhancing Head Start and early childhood learning opportunities to making college more affordable through expanding Pell Grants, this budget will prepare our children to become productive, contributing members of the global economy.

In addition, the President's vision places national defense on a sustainable course, including a 4 percent increase in defense spending for fiscal year 2010. It includes enhanced support for our veterans, finally fulfilling the duty this country owes for the service they have given.

The President's vision prepares for the reauthorization of the transportation funding bill that will invest in transit and infrastructure projects throughout the country.

Now I would like to confirm what is not in the concurrent resolution on the budget. Much has been made of the potential funding sources the President has listed in his blueprint. Madam Speaker, I would point out, the concurrent budget resolution that is scheduled to come before the full House does not increase taxes. In fact, it would reduce them. It simply lays the foundation for fulfilling President Obama's vision and making the critical investments in America's future. Specific tax policies will be pursued by the tax-writing committees of the Congress where I expect further modifications