

other kind of help. A few months later, he suddenly died.

Mr. Speaker, we have an opportunity here with H.R. 3200 to pass a bill of historic proportions to address issues such as this constituent and many Americans are facing, to have a health care plan that is affordable and accessible for all Americans, that will lower the cost of health insurance, to provide a public option that gives people a choice of doctors and plans, and puts an emphasis on prevention and wellness. I urge my colleagues to support this bill.

#### RESTORING FISCAL RESPONSIBILITY THROUGH THE STATUTORY PAY-AS-YOU-GO ACT

(Mr. CONNOLLY of Virginia asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. CONNOLLY of Virginia. Mr. Speaker, I rise today in strong support of H.R. 2920, the Statutory Pay-As-You-Go, or PAYGO, Act as a long overdue return to fiscal responsibility. We hear a lot from our colleagues and friends on the other side of the aisle talking about their newfound concern about deficits. But it was a Republican Congress that allowed PAYGO legislation to expire in 2002 even after, in fact, it worked to produce two consecutive surpluses in 1999 and 2000 under a Democratic President. Unfortunately the Republican-controlled Congress didn't renew PAYGO in 2002, leaving us, once again, with annual deficits that this year now reached \$1 trillion, most of it on their watch.

Mr. Speaker, the cure for deficits is not floor speeches, catchphrases or expensively produced charts. The cure is fiscal responsibility. This House, if it's going to be serious about fiscal responsibility, must return to statutory PAYGO. I support the bill.

#### A HEALTH INSURANCE COMPANY HORROR STORY

(Ms. SCHAKOWSKY asked and was given permission to address the House for 1 minute.)

Ms. SCHAKOWSKY. A health insurance company horror story about Robin Beaton, a 59-year-old woman who was a registered nurse for 30 years, healthy, with health insurance. She retired to set up her own small business and got an individual policy with Blue Cross/Blue Shield. She went to the dermatologist for acne. A word was written on her chart that, interpreted incorrectly, as meaning precancerous. Here are her words, Shortly thereafter, I was diagnosed with a very aggressive form of breast cancer and was told I needed a double mastectomy. The Friday before the Monday I was scheduled to have my double mastectomy, Blue Cross red-flagged my report due to the dermatologist's report. The dermatologist called Blue Cross directly to report I had only acne and pleaded not to hold up the surgery. Then Blue Cross called

to inform her that they were launching a 5-year medical investigation into her medical history and that she would not be able to have the surgery. She was frantic. Then she found out that the insurance policy that she had been paying premiums on was canceled altogether. She says, The sad thing is Blue Cross took my premiums, and when I was suspected of having cancer, they searched for a reason to cancel me. This happened, and 7 months later the tumor doubled in size, went into her lymph nodes; and now her prognosis is worse.

We have an opportunity today to bring peace of mind to all Americans and pass health insurance reform.

#### PAYGO LEGISLATION WILL HELP US MOVE FROM DEFICIT TO SURPLUS

(Ms. WATSON asked and was given permission to address the House for 1 minute.)

Ms. WATSON. Mr. Speaker, the House will be taking up statutory PAYGO legislation which will restore the policy that led from deficits to surpluses under the Clinton administration. Statutory PAYGO is a necessary step to restore fiscal discipline and begin bringing down the deep deficits that face our Nation. Without reducing the deficit, we won't be able to invest in vital priorities, including health care, education and clean energy.

The bill on the floor this week requires all new policies that either reduce revenues or expand entitlement spending be offset over 5 and 10 years. Discretionary spending is not subject to PAYGO and exceptions can be made for emergencies. We also take into account the political reality that several policies will continue, as in past Congresses, and allow them to be extended without offsets. Medicare physician payments, alternative minimum tax, middle class tax cuts and the current estate tax rates. I hope that all Members will support our PAYGO bill.

#### HEALTH CARE WILL BENEFIT AMERICAN ENTREPRENEURIAL INITIATIVES

(Mr. POLIS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. POLIS. Mr. Speaker, before I was elected to the House of Representatives, I was an entrepreneur. I started several technology companies. Entrepreneurs across this country are a constant source of creativity, of job creation, of unleashing their creative potential to create jobs and bring new products and services to the marketplace. There are people today, Mr. Speaker, that would love to be entrepreneurs but for the fact that they are wedded and trapped in jobs because of the nontransportability of their health care. Mr. Speaker, for them and their families, they have to keep their cur-

rent jobs. They can't go off on their own. They can't start new companies. They might have great ideas that would unlock great value, and yet they are prohibited from doing so.

One of the great benefits of the Obama health care plan is that we will allow people to pursue their potential, to create jobs, to go off on their own without taking that risk of losing health care for them and their families. By doing so, we can unleash the potential of the American people and entrepreneurs across the country to create value and create jobs.

#### MESSAGE FROM THE SENATE

A message from the Senate by Ms. Curtis, one of its clerks, announced that the Senate has passed without amendment a bill and a concurrent resolution of the House of the following titles:

H.R. 2245. An act to authorize the President, in conjunction with the 40th anniversary of the historic and first lunar landing by humans in 1969, to award gold medals on behalf of the United States Congress to Neil A. Armstrong, the first human to walk on the moon; Edwin E. "Buzz" Aldrin, Jr., the pilot of the lunar module and second person to walk on the moon; Michael Collins, the pilot of their Apollo 11 mission's command module; and, the first American to orbit the Earth, John Herschel Glenn, Jr.

H. Con. Res. 164. Concurrent resolution recognizing the 40th anniversary of the Food and Nutrition Service of the Department of Agriculture.

The message also announced that pursuant to Public Law 111-25, the Chair, on behalf of the Majority Leader, announces the appointment of the following individuals to serve as members of the Ronald Reagan Centennial Commission:

Sig Rogich of Nevada.

Frank Fahrenkoph of Nevada.

#### PROVIDING FOR CONSIDERATION OF STATUTORY PAY-AS-YOU-GO ACT OF 2009

Mr. ARCURI. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 665 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 665

*Resolved*, That upon the adoption of this resolution it shall be in order to consider in the House the bill (H.R. 2920) to reinstitute and update the Pay-As-You-Go requirement of budget neutrality on new tax and mandatory spending legislation, enforced by the threat of annual, automatic sequestration. The first reading of the bill shall be dispensed with. All points of order against consideration of the bill are waived except those arising under clause 9 or 10 of rule XXI. The amendment in the nature of a substitute printed in part A of the report of the Committee on Rules accompanying this resolution, modified by the amendment printed in part B of the report of the Committee on Rules, shall be considered as adopted. The bill, as amended, shall be considered as read. All points of order against provisions of the bill, as amended, are waived. The previous

question shall be considered as ordered on the bill, as amended, to final passage without intervening motion except: (1) one hour of debate equally divided and controlled by the chairman and ranking minority member of the Committee on the Budget; (2) the amendment in the nature of a substitute printed in part C of the report of the Committee on Rules, if offered by Representative Ryan of Wisconsin or his designee, which shall be in order without intervention of any point of order except those arising under clause 9 or 10 of rule XXI, shall be considered as read, and shall be separately debatable for one hour equally divided and controlled by the proponent and an opponent; and (3) one motion to recommit with or without instructions.

SEC. 2. For purposes of the concurrent resolution on the budget, the amounts specified in section 421(a)(2)(A) and section 421(a)(2)(C) shall be considered to be those reflected in section 314 and section 316, respectively, of the House companion measure.

The SPEAKER pro tempore (Mr. WEINER). The gentleman from New York is recognized for 1 hour.

Mr. ARCURI. Mr. Speaker, for purposes of debate only, I yield the customary 30 minutes to the gentleman from California (Mr. DREIER). All time yielded during consideration of the rule is for debate only.

GENERAL LEAVE

Mr. ARCURI. I ask unanimous consent that all Members have 5 legislative days within which to revise and extend their remarks and insert extraneous materials into the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

□ 1045

Mr. ARCURI. I yield myself such time as I may consume.

Mr. Speaker, I rise today as a member of the Rules Committee and of the fiscally conservative Blue Dog Coalition and as a proud supporter of this rule and H.R. 2920, the Statutory Pay-As-You-Go bill.

When the 110th Congress convened in 2007, I strongly supported the reinstatement of the pay-as-you-go principles in the rules of the House. Today, we will take up the next step toward reinstating the statutory pay-as-you-go rule. These statutory requirements helped turn deficits into surpluses in the 1990s under the Clinton administration. When the previous statute expired, Mr. Speaker, the result was a return to unchecked deficit spending, which doubled the national debt in less than a decade. This is not a Democratic problem. This is not a Republican problem. Rather, this is a problem for all of us.

The American people deserve better. We in Congress must be forced to balance our spending the same way that every American family does. We should not spend what we cannot afford. In order to spend a dollar, we must find a dollar either in savings or in new revenue.

Mr. Speaker, my colleagues on the other side of the aisle may try to argue

semantics and say that this is an imperfect bill. If this is the case, I would simply remind my colleagues that every journey is completed one step at a time. This bill is just a first step. It is part of a clearly delineated path toward fiscal responsibility.

To date, this Congress has passed critical pieces of legislation, like the expansion of the SCHIP, which provides health insurance to 11 million children, and we did so in a way that was completely paid for, showing our commitment to fiscal responsibility. Earlier this year, we adopted a budget resolution that placed the full cost of war spending on the books for the first time. These are steps in the right direction. This bill continues these important steps in the direction of fiscal responsibility.

This legislation will require that all new policies of reducing revenues or of expanding spending enacted during a session of Congress be offset over 5 and 10 years. It will require any future extension of upper-income tax cuts to be offset, and it will force a serious examination of wasteful subsidies in the budget and of tax loopholes that can be eliminated to offset more worthwhile programs.

Finally, the statute would not be complete without an enforcement mechanism. The Congressional Budget Office will continue to score legislation passed by Congress. The Office of Management and Budget will keep a running scorecard for all of the revenue generated in new spending enacted during a year. If we have not fully offset the legislation enacted during the session, it will trigger an automatic sequester of funds from mandatory spending programs.

Mr. Speaker, the American people have spoken, and they want a return to a fiscally responsible Congress that abides by pay-as-you-go principles. This is the legislation that will make that a reality. As a member of the Blue Dog Coalition, I have worked, since being elected to Congress, to reenact statutory PAYGO, and I strongly urge my fellow colleagues to vote for this rule on H.R. 2920.

I reserve the balance of my time.

Mr. DREIER. Mr. Speaker, let me begin by expressing my appreciation to my Rules Committee colleague for yielding me the customary 30 minutes, and I yield myself such time as I might consume.

Mr. Speaker, today is the 22nd of July. We are just over halfway through calendar year 2009, and the Federal deficit has exceeded \$1 trillion. That's not with an M. That's not with a B. That's with a T; \$1 trillion. It's so much money that we can't even fathom exactly how much it is. You know, I've spent a while here, and I can't imagine \$1 trillion. It's the amount of money already that the Federal Government not has spent; it's the amount of money, Mr. Speaker, that the Federal Government has already overspent as we are just halfway through this year.

At the rate that we're going, by the end of the year, the deficit will approach \$2 trillion.

Now, Mr. Speaker, if you think about that, about the amount that we have overspent and that we have spent more than was actually taken in, then actually, based on this annual number, it quite possibly could be larger than the entire Federal budget was just a decade ago.

The American people are paying attention. They're paying attention, and they don't believe that such wantonly irresponsible spending is ever justified. They're particularly outraged that it's coming at a time when they are re-vamping their own budgets, are cutting out every penny of waste and are saving every penny that they possibly can.

Our economic challenges have fundamentally changed Americans' budgeting habits. They're spending less; they're saving more; they're paying off their debts; and they're asking themselves, Why is my government doing precisely the opposite?

Well, the American families are spending less; they are saving more, and they are paying down their debts. We here in Washington, D.C. are doing the opposite, and they can't understand why that's continuing to happen. During very difficult and challenging economic times, why is Congress spending trillions on bailouts and proposing new taxes that will burden our families even more? Why is it racking up so much debt that our kids, grandkids and great grandkids won't even be able to pay it off?

So much concern is mounting over the profligate spending of this Congress that it comes as absolutely no surprise that the Democratic leadership wants to give the appearance of an interest in fiscal responsibility. Quite frankly, Mr. Speaker, as I go through the analysis of this, and the American people are going to understand, we will find that this is simply dealing with the appearance of trying to be fiscally responsible.

The leadership on the other side of the aisle wants to be able to send out a press release to say that they care about this \$1 trillion deficit spending that has taken place in the last 6 months and that they're doing something about it.

Unfortunately, rather than actually reining in the deficit, what has happened? They've proposed a bill that will do nothing to restore any semblance of responsibility and accountability to the Federal budget.

As any hardworking American knows, living within our means during tough economic times is painful, but it's not terribly complicated. You have to reduce your spending. It's very simple. The Democratic leadership will say that the bill before us today requires Congress to spend only what it can pay for, but this claim is not terribly accurate.

First of all, this bill does absolutely nothing to limit discretionary spending, which is 40 percent of the entire

Federal budget. Let me say that again, Mr. Speaker. If you think about a family who has to reduce its expenses and who has to rein in its own personal spending, this family doesn't have the luxury of saying, Oh, well, here is 40 percent that I will exempt. That is exactly what is happening with this measure.

This bill makes it virtually impossible for Congress to implement tax reforms that will get our economy growing again and that will increase Federal revenues. If the Democratic leadership were actually interested in reducing the deficit, they would simply implement spending caps, caps on spending. That's the way to do it. Instead, they have merely produced a fig leaf of a bill, a fig leaf so they can send out that press release and can then go right on spending this country into oblivion, which is exactly what has been happening. The proposal before us does nothing but mandate tax increases while leaving discretionary spending completely unchecked.

Now, Mr. Speaker, this is not a theoretical discussion that I am engaging in right now. We've been living under the Democratic leadership's so-called "PAYGO rules" for 2½ years. When they reinstated PAYGO at the start of the last Congress, they said it would eliminate deficit spending. Now what has actually happened? The deficit has skyrocketed from \$162 billion in fiscal '07 to, as I said, this estimated \$1.8 trillion. So from \$162 billion in 2007 to \$1.8 trillion. Again, that's just the deficit. That's a tenfold increase, and it all happened under this Democratic majority with these brilliant PAYGO rules that have been put into place.

This bill will not cut the deficit. This bill will not help to restore our economy. I will say quite frankly, Mr. Speaker, I am really quite concerned that some will believe, with the passage of this bill, that we have now addressed the problems and that it will lure many on the other side of the aisle to continue on the road that they've been going down for the past 2½ years.

The true purpose of this bill is a very, very unfortunate one. The first is to attempt to provide political cover for Members who want to have it both ways, carrying the mantle of fiscal responsibility while voting for trillion-dollar spending boondoggles.

The second is to make meaningful tax reform impossible to implement. If we abide by the plan that was laid out in this bill, we cannot offer tax relief to a single working American without raising one's taxes at the same time. This includes tax relief that has been proven to increase Federal revenues. We won't be able to do that under this measure. Tax relief that has proven to increase dramatically the flow of revenues of the Federal Treasury would not be allowed under this measure.

In 2003, we cut the capital gains tax rate by 5 percent. Guess what happened, Mr. Speaker? Capital gains tax revenues, that's revenues to the Fed-

eral Treasury. And we cut the capital gains rate by 5 percent, doubled in a 2-year period of time. This tax relief is set to expire next year. Guess what? Under this bill, we can't extend it without raising taxes.

So, if we double revenues by cutting the capital gains tax, it doesn't take a Ph.D. to guess what will happen if we are forced to raise taxes. This bill ties our hands where flexibility is necessary, and it fails to implement strict guidelines where accountability is desperately needed.

Even the Democratic leadership doesn't take this bill very seriously, adding in five pages of exemptions to an already worthless attempt at fiscal responsibility. I find it interesting that they would even bother with these exemptions, considering that they waive their own PAYGO rules all the time. In the last Congress alone, they waived these rules to allow for legislation that increased the deficit by \$420 billion. Now, in this Congress, they continue to use procedural gimmicks to get around their own budget rules, which is why it comes as no surprise that we've already passed the trillion-dollar deficit spending mark here on July 22.

Mr. Speaker, I urge my colleagues: don't be fooled by what is clearly an attempt to cover up the worst spending pattern that we have seen in the history of the United States of America. The American people are figuring this out. They know what it takes to make ends meet; and while they are reining in their spending and are dealing with the economic challenges that they're facing at this time, they know that we are moving in the opposite direction. Reject this rule and the bill. Instead, we must demand true accountability for our constituents' tax dollars.

With that, I am pleased and privileged to reserve the balance of my time.

Mr. ARCURI. Mr. Speaker, I yield 3 minutes to the gentleman from Massachusetts, a member of the Rules Committee (Mr. MCGOVERN).

Mr. MCGOVERN. I thank my colleague for yielding.

Mr. Speaker, I rise in strong support of this rule and in support of the underlying statutory PAYGO legislation.

As a member of the Budget Committee, I am proud to be an original co-sponsor of this bill, and I want to thank our incredible chairman, JOHN SPRATT, for all of his hard work.

Now, some of my colleagues may be asking themselves, Why in the heck is a liberal Democrat from Massachusetts speaking in support of PAYGO? Well, it's true, Mr. Speaker, that I have never been mistaken for a Blue Dog. I support this legislation because I despise this debt just as strongly as any Member of this House. I support this legislation because I have two young children, and I don't want to saddle them with a bankrupt Nation. I support this legislation precisely because it helps support the programs that I care most deeply about.

□ 1100

Every single dollar that we spend on interest on the debt is a dollar that we can't spend on health care. It's a dollar that we can't spend on education or environmental protection or on transportation projects or tax breaks for middle class Americans. It's a dollar we can't spend on supporting our servicemen and -women or ending hunger. In short, every dollar we spend on this debt is a dollar that we cannot invest in the American people, and that is why we need this bill.

I am also pleased that this bill before us today protects the most vulnerable Americans. The bill protects Social Security, veterans programs, food stamps, and child nutrition programs and other essential services.

Now, we hear a lot of rhetoric from the other side about how awful the deficit is, and they're right. But here's a question: Where were you for the last 8 years? Why did you allow PAYGO to expire when you were in the majority? Where were you when the Bush administration inherited a surplus and proceeded to squander it on tax cuts for the wealthy few?

Now, if someone wants to argue that bigger tax breaks for millionaires is good economic policy, that's fine, but under this bill, they will be forced to acknowledge the cost of those tax cuts and show how they would pay for them. I don't think that's too much to ask. This bill before us at long last will take a good long look at wasteful subsidies and special-interest tax loopholes.

Mr. Speaker, all of us, Democrats and Republicans, like to talk a good game about deficit reduction, but this is where the rubber meets the road. It's our time to put our votes where our rhetoric is.

It's time to pass statutory PAYGO. It's time to dig this economy out of the ditch that the Republican leadership created, and I urge my colleagues to support this good bill.

Mr. DREIER. Mr. Speaker, I yield myself such time as I might consume to simply say to my good friend from Worcester, I absolutely look forward to the day when we will not be constantly looking backward and blaming the last Congress and President Bush for every ailment of society. We need to look forward. And the thing that's been happening in the last 6 months is we've seen this dramatic surge in spending and the idea of engaging in class warfare. Taxing those who are job creators, who have created opportunity for millions of working Americans, is, I don't believe, the best way to deal with the challenges that we have.

At this point, I'm happy to yield to our hardworking colleague from Jefferson, Louisiana (Mr. SCALISE).

Mr. SCALISE. I want to thank the gentleman from California for yielding time and for the comments that he made earlier against the bill and the rule. And I rise, as well, in opposition to the bill because this bill, this

PAYGO bill as it's dubbed, does nothing to control spending. I strongly believe we need to get our fiscal house in order.

I think if you look at the actions of this administration since President Obama became President in January and Speaker PELOSI continued her reign, and she has been in office for 2½ years now as the Speaker, Harry Reid over in the Senate as well, you have seen spending get out of control here in this Congress, and it's done so under PAYGO.

The PAYGO rule that they are trying to put into law has gotten us to a point today where we're facing a \$1.8 trillion, with a "T," deficit.

Just last week the Federal deficit this year exceeded \$1 trillion. These are numbers that have never been seen before in the history of our country, and it all happened under this rule that we're hearing all of these Fourth of July speeches about how great PAYGO is and how PAYGO is going to require fiscal responsibility. We have PAYGO today, and it has given us a \$1.8 trillion deficit this year.

And so what I proposed in the Rules Committee last night was an actual ability to require some strict discipline on PAYGO by taking out the exemptions, the loopholes. You would ask yourself if we've got PAYGO, and if the people on the other side that are talking about it and they say how wonderful it's going to be, well, if it's so good, how could it have yielded us a \$1.8 trillion deficit?

That's because PAYGO is a hoax. PAYGO is waived every time they want to spend money that we don't have. So they simply waive it. In fact, in the stimulus bill earlier this year, the largest spending bill in the history of our country, \$787 billion of money that we don't have, it was rammed through Congress. Not one person who voted for it had the opportunity to read it, but the President said it had to be done quickly because it's going to create millions of jobs. Well, we've seen now that is a failure.

Where are the jobs? Two million more Americans have lost their jobs since the stimulus bill passed. And the bill passed without the funding in place, without any kind of offsets, no cuts at all; in fact, \$787 billion of new spending under the PAYGO rule.

So you would ask yourself if PAYGO is so good, how could a \$787 billion unfunded bill pass under that rule? Well, that's because they simply waived the rule. It's right here in the rule that they passed on the stimulus bill. Many of the people that are coauthors of this bill were happy to vote to waive it, and they were able to waive it with a simple majority vote. And this bill that they're talking about today has the same language that still allows PAYGO to be waived any time they feel like looking the other way.

And you would say, Oh, they wouldn't do that. Well, sorry to tell you, in the last Congress, 12 times they waived PAYGO.

The SPEAKER pro tempore. The time of the gentleman has expired.

Mr. DREIER. Mr. Speaker, I'm happy to yield my friend an additional 2 minutes.

Mr. SCALISE. So 12 times in the last Congress alone they waived PAYGO by a simple majority vote.

I had an amendment last night in the Rules Committee to require a three-fifths vote to say if you really want to install fiscal discipline, then put a high bar so you can't just waive it every time you want to spend money you don't have. Guess what? Not one person on the other side supported that amendment.

I've cosponsored a constitutional amendment that requires that we balance our Federal budget. Many States have a similar fiscal discipline that's placed in their constitutions. Unfortunately, we don't have anything like that here in Washington, and the results are that this Congress is spending at unprecedented levels that's led to these debts.

And one other hidden secret about PAYGO. It is allowed to cut spending. Some people around here don't know what cutting spending means; they just keep growing spending. But when PAYGO has been used, 34 times in the last Congress it was used not to cut spending but to raise taxes.

So once again, not only is PAYGO a hoax, it doesn't stop spending from being out of control at all because it's been waived every time they wanted to spend money, like in the stimulus bill, but 34 times in the last 2 years, PAYGO was used to raise taxes on American families.

And so if you wonder why your tax burden keeps going up and up and up and then you've got this thing called PAYGO that sounds really good and you hear all of these Fourth of July speeches on the other side about fiscal discipline, well, fiscal discipline to them means raising taxes on American families or just waiving it when you feel like spending money that you don't have.

The American people deserve better. They deserve honesty and transparency in their government, not some bill that purports to be about fiscal discipline and yet can be waived any time they want to just look the other way. And judging by history, they've waived it every time they wanted to spend money that this country doesn't have.

We can hear about George Bush all day and about Republicans. For the last 2½ years the Democrats have been running Congress. NANCY PELOSI has been the Speaker. HARRY REID has been the Senate President and Barack Obama today is the President, and in the last 6 months we've seen spending at unprecedented levels with a \$1.2 trillion deficit. PAYGO is a hoax. Let's get real fiscal discipline.

Mr. ARCURI. Methinks thou doth protest too much.

I listened to my friend from Louisiana, and all I hear are complaints

about PAYGO. And then I see a sign that says, PAYGO equals tax increase, which actually means nothing at all, but it is a very nice sign. But, in fact, that's not at all what PAYGO is about. In fact, if PAYGO did nothing more than put a check on spending, I would say it's worth voting for. But my friend on the other side of the aisle says he doesn't support it.

You know, we see a lot of finger-pointing going on in Congress, everybody blames the other side, but the fact of the matter is, when they talk about spending, we are spending now because we are in the throes of a recession.

When the Republicans were in control of the House of Representatives, we see that they didn't reinstate PAYGO and they continued to spend. We have put the war on the books for the first time, which is a step in the right direction towards fiscal responsibility.

Mr. DREIER. Mr. Speaker, will the gentleman yield?

Mr. ARCURI. When I finish, I will be happy to yield.

When we hear my friend from Louisiana talk about PAYGO and talk about all of the problems with PAYGO, he doesn't acknowledge the fact that PAYGO does require that we spend only what we have. And if it did nothing else, he should support it. Yet he doesn't support it because it's more of the finger-pointing that we see in Congress.

I yield to the gentleman.

Mr. DREIER. I thank my friend for yielding.

Mr. Speaker, I would simply like to inquire of my friend as he talks about how great this PAYGO—

Mr. ARCURI. Reclaiming my time, I never said PAYGO was great. I said PAYGO is a step in the right direction. PAYGO is a step that we need to take, and that is what I said.

I would be happy to yield.

Mr. DREIER. I thank my friend for yielding. I apologize profusely, Mr. Speaker, if I put words into my friend's mouth. He did not use the word "great" to describe it, but I will say—and this is probably not much of a stretch—that he is here propounding the benefits of this legislation that is before us.

And in light of that, I would like to ask my friend, Mr. Speaker, if, in fact, we were to see this statutory implementation of PAYGO, if it would have any way diminished the kinds of increases that we've seen in the appropriations process that have already taken place in the nine bills passed, one of which had a 22 percent increase in spending. And I'd appreciate it if my friend would respond as to whether or not this bill would in any way turn the corner on that spending that we've seen.

Mr. ARCURI. My friend knows full well what the purpose of PAYGO is. And the purpose of PAYGO is to ensure that whatever money we spend in the

future, we have a way of providing for, either by creating cuts or by raising revenues in other ways. That's what PAYGO is all about, and it's about doing it over a 5-year and a 10-year period.

With that, Mr. Speaker, I would yield 3 minutes to the gentleman from Texas (Mr. CUELLAR).

Mr. CUELLAR. Mr. Speaker, I rise today to support this bill, H.R. 2920. I rise because there are many Americans who are living paycheck to paycheck, dollar to dollar.

As I traveled around my south Texas district from Laredo through the Rio Grande Valley, my constituents, like those around the country, are gathering around the kitchen tables to figure out how to make those hard financial decisions. They're making tough choices about which basic needs they can afford. Many live by a very simple principle. If you have \$5, you spend \$5. We should expect Congress to do the same.

So, today, I stand in support of the statutory pay-as-you-go legislation because it will rein in national spending and help reduce our national debt during these very difficult times.

If we return to the fiscal responsibility philosophy that we had in the 1990s when PAYGO spending created record budget surpluses, we would change our economy. Americans can't spend their money recklessly right now, and Congress shouldn't either. Our children deserve more, and the people in Texas and the Nation deserve better.

Today's consideration of PAYGO is a golden opportunity to start getting this country's bank account out of the red. It's time to stop the borrow-and-spend mentality. It's time to return to pay-as-you-go, especially as we consider the health care reform bill. It's important that we spend taxpayers' dollars wisely.

I've always been supportive of good government efforts to increase fiscal responsibility to make sure that we have an accountable and effective government. This is why the Blue Dogs have been supporting the performance-based budgeting bill to make sure that we have effective, accountable government. That increases government transparency and efficiency in spending.

Americans and Texans are doing their share to be fiscally responsible. Now it's time for Congress to do our part, and this is why we need to pass pay-as-you-go.

Mr. DREIER. Mr. Speaker, my friend from Laredo is a very thoughtful Member and very good personal friend of mine, and I will say that the opening statement, I think, really gets right to this point, talking about how families have to deal with the economic challenges that we are facing today.

The thing that concerns me greatly is that when I engaged in a colloquy with my friend from Utica on whether or not the implementation of PAYGO

would in any way reduce the appropriation levels that we've seen, one of which had a 22 percent increase, he responded by saying that I understood the process and knew that this would not in any way be able to actually take place. So I guess the answer to the question that I posed to my friend from Utica was "no."

So I would say to my friend from Laredo that I think that it's very important, Mr. Speaker, for us to realize that what we all want to—

Mr. ARCURI. Mr. Speaker, will the gentleman yield?

Mr. DREIER. Of course. I'd be happy to yield to my friend from Utica.

□ 1115

Mr. ARCURI. Half of the non-discretionary spending is on the military. Do you think that we should be cutting the amount of spending that we do for the military?

Mr. DREIER. If I could reclaim my time, Mr. Speaker, I will say that I believe we need to have a cost-effective national defense. I believe that when we can bring about reductions in the level of expenditures when it comes to waste, fraud and abuse within the military, absolutely. I want to bring about those reductions. But when you, Mr. Speaker, look at the dramatic increases, the \$1 trillion in deficit spending that has gone into a wide range of new areas into which the Federal Government has never ever been involved before, it is essential we recognize—

Mr. ARCURI. Will the gentleman yield?

Mr. DREIER. Yes, of course, I will yield.

Mr. ARCURI. Do you think that any increases in military spending that we have made should have been cut as well?

Mr. DREIER. If I can reclaim my time, Mr. Speaker, of course. I think that we have yet to deal, by the way, with the Department of Defense Appropriations bill. I know that it is going to be marked up. I anxiously look forward to seeing what this will consist of. But frankly, in the proposed budget I believe that that has, as an increase, one of the smallest levels of increases compared to the 22 percent increase that we saw on other appropriations bills.

The fact is there is a role for the Federal Government. The number one priority of the Federal Government happens to be the national security of the United States of America. And so to say that because we might have an increase in the level of defense expenditures, as we live in a very dangerous world, and that somehow justifies a multi—now what we are headed towards—a multitrillion-dollar increase in deficit spending is apples and oranges when one looks at what should happen.

So I would like to engage, if I might, with my friend from Laredo and say, as I look forward to yielding to him, that as we look at this challenge that families face when they are at the kitchen

table, recognizing that with the difficult economic times that we have, they have to rein in their spending. They have to pay down their debts. They have to increase their level of savings. How is it that we, in this measure, can exempt 40 percent the discretionary spending level that is here? How is it that we can say that reducing rates on things like capital gains, which doubled the flow of revenues to the Federal Treasury when reduced by 5 percent, how is it that we can't do that any longer under this so-called PAYGO provision? And I would be happy to yield to my friend if he would like to respond.

Mr. CUELLAR. Sure. And again, thank you very much. I appreciate the comments of the gentleman from California, a good friend of mine. First, to answer this question, we have to look at history. When the PAYGO was implemented back in the 1990s, it expired in 2002. The majority at that time decided not to put it back again or re-implement it. We saw from history in early 2000 there was a surplus that we got. And I believe part of the reason was because we had a statutory pay-as-you-go provision. When this was let go, and it expired in 2002, you saw that the deficit—and again this deficit that you're talking about, and I'm concerned about it just like you are, but this deficit didn't occur on January 20 of this year. It is something that has been happening for the last 4 or 5 years.

So if I can just finish my thought, what we need to do is, I know that we have some differences, but I hope we can get both the Democrats and Republicans and both sides of the aisle working together to come up with a way that we can go ahead and stop this deficit. Because as you very well know, if I can just finish this, look, this is what we have. We have over \$11 trillion in debt that we have right now. Forty percent of that is owned by foreign countries. And again, the gentleman from California, if you had a business, imagine what would happen if one day you woke up and your neighbor, your friendly competitor, suddenly owned 40 percent of your mortgage. That would put us in a very difficult situation. And this is what we are facing in this country.

Mr. DREIER. Mr. Speaker, I thank my friend for his thoughtful remarks. If I could reclaim my time, I would simply say that as we look at the discretionary spending caps that were put into place in the 1990s with the PAYGO provision that were there, they were thrown out the window in the package that my friend is touting today. And my argument is that families don't have the luxury of saying, Oh, we will just exempt—let's go and buy a new car, we are going to purchase a new car.

You know what, we don't need to worry about how much the purchase of that new car is going to be. Let's just think about maybe the cost of some addition to the house, and we have to be

concerned about that. Families don't have that luxury. And my argument, Mr. Speaker, is that as my friends on the other side of the aisle tout this PAYGO measure as somehow relating to the challenges that families are having to make today, it is preposterous to do that because there is no correlation with the ability of the Congress to simply waive these provisions and the necessity that families are facing today.

And with that, I reserve the balance of my time.

Mr. ARCURI. Mr. Speaker, I thank my friend from California for his comments. And I would just point out that we are in unprecedented times. We are in a time when we are conducting two wars overseas, one ending in Iraq and one continuing in Afghanistan. And that requires increases in military spending. It continues to require increases in veteran spending, which we have done. We have seen unprecedented natural disasters, which we have had to spend upon. We have seen an economy in a downturn. As a result of those things, it is necessary for spending to take place. I think my friend knows that.

With that, I will yield 3 minutes to the gentlewoman from South Dakota, a member of the Blue Dog Coalition, Ms. HERSETH SANDLIN.

Ms. HERSETH SANDLIN. Mr. Speaker, I thank the gentleman from New York, a fellow member of the Blue Dog Coalition, for yielding. I rise today in strong support of the rule on H.R. 2920, the Statutory Pay-As-You-Go Act of 2009. I would especially like to thank Speaker PELOSI and Majority Leader HOYER, whose steadfast support for PAYGO rules have been absolutely essential to the efforts of the Blue Dog Coalition and others across the spectrum in our caucus, including GEORGE MILLER of California and PETER WELCH of Vermont, who have worked to restore this critically important budgetary tool, a tool that helped to move the Nation from dangerous deficits to surpluses in the late 1990s, a tool that was abandoned by the Republicans during the Bush administration.

In 2007, the new majority established House PAYGO rules in an effort to restore fiscal discipline to Congress. The House PAYGO rules and this statutory PAYGO bill stand for a simple principle: new entitlement spending and new tax cuts should be paid for. We can't have everything we want. We need to do what families in South Dakota and across the Nation do: make hard choices and budget responsibly. If not, make no mistake, our Nation will pay the price.

When OMB reports that we paid, as a Nation, \$249 billion in net interest to service government debt in fiscal year 2008, we know something is terribly wrong with our priorities. Think of what we could do with an extra quarter of a trillion dollars. We could invest in needed priorities, or we could pay down the debt. The House PAYGO rules are

the first step in countering the bad habits throughout the 8 years of the Bush administration. The massive buildup of debt that occurred over that period not only threatens our economic future but puts our national security at risk. By August of 2008, foreign-held debt had grown more than 200 percent, increasing from \$1 trillion in January 2001 to \$2.7 trillion, which works out to be more than 80 cents of every dollar of new debt issued since 2001 being bought by foreign entities. China alone upped its holdings of Treasury securities by 850 percent.

Today, we finally have a President who is committed to PAYGO. The first bill he sent to Congress was a statutory PAYGO bill. Many of our friends on the other side of the aisle have suddenly become concerned about deficits. And I welcome that concern. We should all be concerned about the national debt as one of the most pressing and most consequential issues facing our country. And we should likewise recognize statutory PAYGO as one tool among many, but a very strong tool, in forcing the Congress to spend within its means. Statutory PAYGO, controlling both spending and tax policies, is absolutely critical in the long term for long-term growth and prosperity. And that is something that people across the political spectrum should be able to agree on.

Many people talk about a commitment to fiscal responsibility. But no one can be taken seriously in that claim if they do not support the strong, effective and proven tool of statutory PAYGO. So today, Mr. Speaker, on behalf of our Nation's children and grandchildren, I urge the House, for colleagues on both sides of the aisle, to vote to restore this crucial tool of fiscal responsibility for the sake of the future of the Nation. I thank the gentleman from New York for the time.

Mr. DREIER. Mr. Speaker, I reserve the balance of my time.

Mr. ARCURI. Mr. Speaker, I yield 3 minutes to the gentlewoman from California (Ms. HARMAN).

Ms. HARMAN. I thank the gentleman for yielding. I rise in strong support of this rule and the underlying PAYGO bill. For those who worry about hemorrhaging deficits and debt, this bill is for you. I was here in the early 1990s, in another century, and remember well casting a career-risking vote in 1993—it was a totally partisan vote—for the Clinton budget that I believe history will show put the country on a glide path to a balanced budget and created surpluses for the first time in a generation. Sadly, it was also the last time in a generation that we saw those surpluses.

Today is a proud moment for the Blue Dog Coalition in our dogged pursuit of bipartisan budget solutions. As a self-proclaimed "grandmother dog," I salute my colleagues in the group, and especially our former leader and colleague, Charlie Stenholm, for championing PAYGO. I know that many of

us in this Chamber yearn for more bipartisanship. I would urge our colleagues to seize this moment to embrace a concept that makes absolute common sense, a concept that the government pays for the programs it enacts, including the defense programs that it enacts. One of the great promises of this legislation is that we will finally put predictable war costs on budget, as we should, and consider them in the context of a large budget at a time of deficits and debt that are much higher than any of us would like to see.

So, Mr. Speaker, with this bill, we have the opportunity to hit the reset button and to engage in more honest budgeting. Yes, some compromises had to be made, and I would support a tighter version of PAYGO than the one we are considering. But I also believe that the bill before us today makes an unequivocal statement by Congress that the delusional out-of-control spending of the past years is finally behind us. Surely, this is something that Democrats and Republicans alike can celebrate.

Mr. Speaker, millions of American families are swallowing hard, surely those families in my State of California are, and making tough financial choices right now. The Federal Government must do the same. I urge an "aye" vote on the PAYGO Act of 2009 and call on our friends in the Senate not to allow this much-needed legislation to languish.

Mr. DREIER. Mr. Speaker, I think I will continue to reserve the balance of my time in light of the fact that there are other speakers on the other side. We have one other speaker, and then I plan to close.

Mr. ARCURI. Mr. Speaker, I yield 2 minutes to the gentlewoman from Pennsylvania (Mrs. DAHLKEMPER).

Mrs. DAHLKEMPER. Mr. Speaker, I thank the gentleman for yielding. I rise today to address this Chamber not as a Member of the House of Representatives but as someone who knows firsthand the balancing act that American families and small businesses have to negotiate in order to make ends meet. When raising our five children, my husband, Dan, and I had to make tough choices every day. We had to choose a smaller house so that we could put the food on the table and buy shoes and clothing for the five children. We had to choose to go camping in our State park rather than Disney World so that we could save enough for our children to go to college. And every day we had to make tough choices in running our small business to ensure we could make our payroll, pay the bills and grow our business all at the same time.

Mr. Speaker, this balancing act is not unique. Any parent who has shopped for dinner at the grocery store and any entrepreneur who has handled the books for their small business understands the importance of living within their means. So this begs the question: if families and small businesses across this country have to live

within their means, why shouldn't Congress as well? That is why I rise today to support reestablishing statutory PAYGO to the House of Representatives. We have important work to do here in Congress, such as rebuilding our economy to create good-paying jobs and ensuring quality, affordable health care for all Americans.

However, it is simply irresponsible to build our children's and grandchildren's future upon a foundation of debt. If we do not begin to balance short-term deficit spending with long-term fiscal discipline, our children will face an even greater mountain of debt, even higher taxes, and cuts to Federal investments in priorities like education, health care and our national security. I thank my colleagues for making fiscal responsibility a priority. I urge passage of the rule and the important underlying legislation.

□ 1130

Mr. DREIER. Mr. Speaker, at this time I am very, very happy to yield 2 minutes to our good friend and hard-working colleague from Brentwood, Tennessee (Mrs. BLACKBURN).

Mrs. BLACKBURN. Mr. Speaker, I want to say thank you to our colleagues across the aisle for bringing forward a PAYGO statute.

I will tell you, it is of concern to me, though, that the statute, the way this is written, the way they're approaching PAYGO could lead to tax increases because what we are not seeing from our colleagues on the other side of the aisle is a willingness to reduce spending. And we know if you're going to have an effective PAYGO policy, that you have to be able to reduce what you're spending. That is a requirement.

On every appropriations bill that we have, I file a 5 percent, across-the-board reduction amendment for a spending cut. The reason I do that is because what we have learned from our States, what I learned as being a State Senator is that across-the-board spending reductions work. They work. They reduce what you are going to lay out, the amount of money that you are going to spend.

So, let's do this in a bipartisan way. Let's agree that we are actually going to reduce spending. Let's agree that we're going to have PAYGO enforcement, that we're not going to cry "emergency" every time we have a Katrina, every time we have a tsunami, every time we have a need for extra spending, that we don't go call for a special appropriation that allows us to circumvent the PAYGO rules. And let's be certain that we put all that spending on the table, that we put it all on the table, and that we agree we're going to reduce what we are going to spend.

What we have seen is the PAYGO rule, the way it is written, the way they've put it in place, has led to a deficit that has gone from \$162 billion to over \$1 trillion. That's over a 1,000 percent increase. And I think that this

body would be well-served to make that 5 percent haircut; set a nickel aside out of every dollar that is going to be spent for our children and our grandchildren, their future and opportunity.

Mr. ARCURI. Mr. Speaker, before I yield, I would just like to say to my colleague from Tennessee that if Katrina was not an emergency and did not merit emergency spending, then I cannot, in my wildest imagination, imagine what would. That is the reason why we have an emergency spending exception to any PAYGO requirement, to allow government to do that which the voters sent us here to do, and that is to ensure that when a catastrophe and when an emergency strikes, that we are there to do everything that we possibly can to help the people who have been injured by it.

With that, Mr. Speaker, I would yield 3 minutes to the gentleman from Tennessee, a proud member of the Blue Dog Coalition, Mr. TANNER.

Mr. TANNER. Mr. Speaker, this bill today is not what some of us would like, but it is something that we think maybe can pass the Senate, which, after all, has a hand in this statutory approach. It is the first step to restore a rule that was allowed by this Congress to expire in 2002, which effectively removes a constraint, one constraint on what almost everybody wants to see happen, and that is, you want to vote against any taxes, and you want to vote for all the programs. This is one small step to try to address that urge that, I guess, all of us share from time to time.

If you look back at this decade, in the year 2000, revenue and expenditures were both around 19 percent of GDP. The country basically was breaking even. By 2002, when PAYGO was allowed to expire, and we had seen the economic policies of the country change dramatically in the summer of 2001, shortly before 9/11, we had a situation develop where, by 2003, the expenditures were over 20 percent of GDP, and the revenue coming in was less than 17, actually 16.3 percent of GDP. And without changing our economic game plan that was enacted in June of 2001, we began to borrow money, mostly, 75 percent of it, from foreign sources. What that has done is created a situation where we now are beginning to be more and more vulnerable to our foreign creditors who may or may not see the world as this country does. And secondly, we are transferring more and more of our tax base, whatever it may be, to interest, for which we get nothing.

As my friend from New York just said, the government has to do two things, in addition, of course, the first thing to keep our country safe. But the other two things it has to do is, first, invest in infrastructure. If you go anywhere in the world where there's no infrastructure, nobody's making any money. It's almost impossible to make money on a dirt road with no water,

sewer, electricity and so on. The government has to invest in infrastructure.

And the second thing is human capital. If you read history, no country has been strong and free with an uneducated, unhealthy population. And so public education and health care, particularly preventive health care for children, is necessary for the government to invest in so that we can remain a strong and healthy society.

The SPEAKER pro tempore. The time of the gentleman has expired.

Mr. ARCURI. I yield the gentleman an additional minute.

Mr. TANNER. As we transfer more and more of our tax base to interest, we necessarily cripple our own ability as Americans, not as Members of Congress, our own ability to make those investments that are necessary for our country to be successful. And so, this is, as I said, the first step to restore some sort of constraint in the system where, when we change the law regarding mandatory spending or mandatory tax reduction, then we have to figure out a way to offset it. It is common sense.

We're going to demand, if we can, that it pass the Senate so we can have a statutory backstop, a statutory constraint, not as strong as we'd like, but it is a first step.

And I would sure urge everybody who cares about the future of this country, and I know we all do—we may have different ideas about how to address it—but I wish you'd seriously consider voting for this.

Mr. DREIER. Mr. Speaker, I yield myself the balance of the time.

The SPEAKER pro tempore. The gentleman is recognized for 6 minutes.

Mr. DREIER. Mr. Speaker, this has been an interesting debate. And I have to say that my fellow Angeleno, Ms. HARMAN and I, join in a desire to deal in a bipartisan way with our challenges. I will acknowledge from the get-go, that everyone, Democrat and Republican alike, decries deficit spending. I mean, we all regularly talk about the fact that we need to get our fiscal house in order. That was a plank of the platform that President Obama ran on. And it's the plank of the platform of virtually every candidate for public office. And I believe that we should work in a bipartisan way to get our fiscal house in order.

The problem that I have with the measure that's before us is that, to me, it is the quintessential example of the effort that we often see on legislation. Sometimes we tend to do what makes us feel good, rather than doing good.

The reason I say that is as I listened to the thoughtful remarks of my Blue Dog friends, they talked about exactly what I raise, that being the challenge that families are facing at the kitchen table; recognizing that because of difficult economic times, it is essential for them to reduce their spending, to increase their savings, and to pay down their debts. Those are the three things

that families across this country are doing today at the kitchen table.

And you know what, the notion of saying that the Federal Government is not going to expend dollars that it doesn't have, or able to offset, is something that does have a lot of appeal, and it makes us all feel very good. But that family sitting at the kitchen table, or a small business man or woman can't say, We're going to exempt 40 percent of our expenditures. Yes, we all want to get the auto industry going, but the idea of saying that we want to buy a nice new car, and we don't have to deal with any kind of offset for that.

It's essential for us to get the economy growing. And we know that, while it may sound counterintuitive, every shred of empirical evidence that we have going in recent history to John F. Kennedy or Ronald Reagan is that if we can bring about marginal rate reduction, we can increase the flow of revenues to the Federal Treasury. Most recently, it was done when we brought about that 5 percent reduction in capital gains.

Now I know that in the economy we're in, there are not many people who have capital gains today. But we know this, that if we were to bring about a reduction in the capital gains rate, we would have, as we've seen most recently, a doubling of the flow of revenues to the Federal Treasury. And yet, Mr. Speaker, under this measure, we're not able to do that.

So what we've got is an effort that can make us all feel good. And it is true. I mean, there have been a lot of great statements made juxtaposing the challenges that working families are facing and the challenges that we face here in Washington.

But implementation of this statutorily will in no way address the fact that, as of July 22, today, we have a Federal budget deficit that is \$1 trillion. And we're headed towards 1.8, maybe even beyond that, meaning that the deficit, the Federal Government this year alone will spend more than has brought in, and that level will be higher than the entire Federal budget was just 10 years ago.

And so it's wonderful to say that we're going to work in a bipartisan way; and it's wonderful to say that we all decry deficit spending. But because the American people are hurting, and we need to get our economy growing, I do not believe that this measure before us will do one thing, other than make a lot of people feel very, very good.

With that, Mr. Speaker, I'm going to say that I believe we can get it better. This is not only not a step in the right direction, it is, in many ways, something that will create a climate whereby people will say, we've taken care of this. And I'm afraid that it will send the wrong message to the American people, and it will send the wrong message in our quest to get our economy going, to create jobs and more opportunity for the American people.

So I urge a "no" vote.

I yield back the balance of my time.

Mr. ARCURI. Mr. Speaker, I want to thank my friend from California for his management of this rule.

Mr. Speaker, since the beginning of 2007, the Democratic leadership of the House of Representatives has shown a strong commitment to the pay-as-you-go rules, first, by reinstating the PAYGO rule in the rules of the House on the opening of the 110th Congress, and now, in working to bring this important legislation before the House. I applaud the Blue Dog Coalition, my colleagues there, for their outspoken leadership on PAYGO.

When I explain to folks back home what PAYGO is, I ask them the question, if they have to balance their own books each month, if they have to ensure that they have enough income coming in to cover their expenses; and of course they respond that they do. And I then ask, shouldn't the Federal Government operate in the same way when it involves spending your tax dollars? My constituents get it. The American people get it.

Mr. Speaker, unfortunately, there are still some Members of Congress who are steadfastly against the idea of being fiscally responsible and balancing the Federal books, the same way that our constituents balance their checkbooks each and every week.

The legislation we will consider later today will require Congress to balance the books or face the harsh consequence of automatic cuts to offset the shortfall in our spending.

Now I certainly appreciate the born-again Republican commitment to fiscal responsibility. But the real question is why the Republicans allowed PAYGO to expire in the first place under the last administration. Not only did they not advance the cap discretionary spending, which they are criticizing us for not coupling with the PAYGO statute, but they wouldn't even renew the PAYGO provision, which we are now doing.

My colleagues on the other side of the aisle criticize the majority for the increase in the deficit since the beginning of 2007. One of the reasons for this is that we have put the full cost of the war on the books for the first time. That is a hard thing to do, but it is the responsible thing to do. The Republicans kept this off their budget balance sheet, but the Democratic majority has taken the fiscally responsible approach and placed the entire cost of the war on the books, which adds nearly \$1 trillion to the deficit.

□ 1145

So to say that we have single-handedly raised the deficit over \$1 trillion since 2007 is disingenuous at best.

Furthermore, the budget adopted by Congress this year cuts the deficit by nearly two-thirds in 4 years and contains even deeper cuts in the deficit than were proposed by the President. Under the concurrent budget resolu-

tion adopted by the House and the Senate, the deficit will be cut by \$1.7 trillion, or 12.3 percent of GDP, in 2009 to 3 percent of GDP in 2014.

I strongly believe that we in Congress must balance our own books and maintain fiscal responsibility similar to what is asked of all taxpayers in dealing with their own personal finances. I urge all members to vote "yes" on the previous question, "yes" on the rule, and to vote "yes" on H.R. 2920.

Mr. CARDOZA. Mr. Speaker, I rise today in strong support of the rule and the underlying bill.

Since being elected to Congress, I have been a member of the fiscally conservative Blue Dog Coalition, fighting to rein in reckless federal spending and put an end to our spiraling deficit.

I believe we must get back on the road to fiscal responsibility before we pass the nation's keys—and our debt—onto our children and grandchildren.

You can spin this debate any way you want to, but these are the facts.

President Bush inherited a \$5.6 trillion surplus from President Clinton. This was squandered leaving a record deficit of \$1.8 trillion for 2009 alone.

In just 8 years under President George W. Bush, our Nation's debt—now more than \$11.6 trillion—nearly doubled meaning more debt was accumulated over the past 8 years than under all of the Presidents from George Washington to Ronald Reagan combined.

We are in tough economic times and these extraordinary times call for extraordinary measures.

But plain and simple, we cannot afford to continue writing blank checks and borrowing money from countries such as China to pay our bills.

The PAYGO legislation before the House today reinstates one of the fiscal discipline tools that worked so well throughout the 1990s, and that led to the first budget surpluses since 1969.

I would point out that it was the first President Bush, working with a Democratic Congress, that instituted the first PAYGO rules.

The Clinton Administration and Democrats in Congress continued to work with Republicans on a bipartisan basis and turned decades of exploding budget deficits into 4 straight years of budget surpluses with record economic growth through the continued use of PAYGO.

Under President Clinton, for the first time in 30 years, America actually began to pay down its debt to foreign nations.

It was only when President George W. Bush and the Republican Congress abandoned any sense of fiscal discipline and allowed the proven PAYGO rules to expire in 2002, that government spending spun out of control and we rang up the largest deficits in our Nation's history.

My point is that when both the Administration and the Congress are willing to cooperate and adhere to fiscal discipline, PAYGO works.

Our side knows it. The other side of the aisle knows it. There is absolutely no denying PAYGO has worked in the past, and with a new Administration with a strong commitment to reversing the reckless fiscal policies of the past 8 years, we have that willingness to cooperate again today.

Blue Dogs know that we should not be in this situation today.

And as we all know, despite the Blue Dogs' best efforts—and the efforts of many other members on both sides of the aisle—cutting spending and making tough choices is never easy.

But enough is enough. It's time to stop blaming. It's time to stop pointing fingers. It's time we return to the fiscal accountability measures that I and my fellow Blue Dog colleagues have long advocated. And it's high time we start doing the right thing and start paying for what this country buys.

I ask my colleagues on both sides of the aisle to support this common sense legislation.

Mr. ARCURI. I yield back the balance of my time, and I move the previous question on the resolution.

The previous question was ordered.

The SPEAKER pro tempore. The question is on the resolution.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. DREIER. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The SPEAKER pro tempore. Pursuant to clause 8 of rule XX, further proceedings on this question will be postponed.

RAISING A QUESTION OF THE PRIVILEGES OF THE HOUSE

Mr. FLAKE. Mr. Speaker, I rise to a question of the privileges of the House and offer the resolution previously noticed.

The SPEAKER pro tempore. The Clerk will report the resolution.

The Clerk read as follows:

H. RES. 667

Whereas, The Hill reported that a prominent lobbying firm, founded by Mr. Paul Magliocchetti and the subject of a "federal investigation into potentially corrupt political contributions," has given \$3.4 million in political donations to no less than 284 members of Congress.

Whereas, the New York Times noted that Mr. Magliocchetti "set up shop at the busy intersection between political fund-raising and taxpayer spending, directing tens of millions of dollars in contributions to lawmakers while steering hundreds of millions of dollars in earmarks contracts back to his clients."

Whereas, a guest columnist recently highlighted in Roll Call that "... what [the firm's] example reveals most clearly is the potentially corrupting link between campaign contributions and earmarks. Even the most ardent earmarkers should want to avoid the appearance of such a pay-to-play system."

Whereas, multiple press reports have noted questions related to campaign contributions made by or on behalf of the firm: including questions related to "straw man" contributions, the reimbursement of employees for political giving, pressure on clients to give, a suspicious pattern of giving, and the timing of donations relative to legislative activity.

Whereas, Roll Call has taken note of the timing of contributions from employees the firm and its clients when it reported that they "have provided thousands of dollars worth of campaign contributions to key Members in close proximity to legislative activity, such as the deadline for earmark request letters or passage of a spending bill."

Whereas, the Associated Press highlighted the "huge amounts of political donations" from the firm and its clients to select members and noted that "those political donations have followed a distinct pattern: The giving is especially heavy in March, which is prime time for submitting written earmark requests."

Whereas, clients of the firm received at least three hundred million dollars worth of earmarks in fiscal year 2009 appropriations legislation, including several that were approved even after news of the FBI raid of the firm's offices and Justice Department investigation into the firm was well known.

Whereas, after a cursory review, the fiscal year 2010 defense appropriations earmark list recently made available includes at least seventy earmarks worth hundreds of millions of dollars for former PMA clients.

Whereas, the Associated Press reported that "the FBI says the investigation is continuing, highlighting the close ties between special-interest spending provisions known as earmarks and the raising of campaign cash."

Whereas, the persistent media attention focused on questions about the nature and timing of campaign contributions related to the firm, as well as reports of the Justice Department conducting research on earmarks and campaign contributions, raise concern about the integrity of Congressional proceedings and the dignity of the institution.

Now, therefore, be it: Resolved, That the Committee on Standards of Official Conduct shall immediately establish an investigative subcommittee and begin an investigation into the relationship between the source and timing of past campaign contributions to Members of the House related to the raided firm and earmark requests made by Members of the House on behalf of clients of the raided firm.

The SPEAKER pro tempore. The resolution presents a question of privilege.

MOTION TO TABLE

Mr. ANDREWS. Mr. Speaker, I move to table the resolution.

The SPEAKER pro tempore. The question is on the motion to table.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. FLAKE. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The SPEAKER pro tempore. Pursuant to clause 8 of rule XX, this 15-minute vote on the motion to table will be followed by 5-minute votes on adoption of H. Res. 665; and motions to suspend the rules on: H.R. 1675, H.R. 2938, and H. Res. 69.

The vote was taken by electronic device, and there were—yeas 224, nays 189, answered "present" 14, not voting 6, as follows:

[Roll No. 605]

YEAS—224

Abercrombie	Berman	Capuano
Ackerman	Berry	Cardoza
Adler (NJ)	Bishop (GA)	Carnahan
Altmire	Bishop (NY)	Carney
Andrews	Blumenauer	Carson (IN)
Arcuri	Boren	Chu
Baca	Boswell	Clarke
Baird	Boucher	Clay
Baldwin	Boyd	Cleaver
Barrow	Brady (PA)	Clyburn
Bean	Braley (IA)	Cohen
Becerra	Brown, Corrine	Connolly (VA)
Berkley	Capps	Conyers

Cooper	Kaptur	Price (NC)
Costa	Kildee	Rahall
Costello	Kilpatrick (MI)	Rangel
Courtney	Kilroy	Reyes
Crowley	Kind	Richardson
Cuellar	Kissell	Rodriguez
Cummings	Klein (FL)	Ross
Dahlkemper	Kosmas	Rothman (NJ)
Davis (AL)	Kratovil	Royalb-Allard
Davis (CA)	Kucinich	Ruppersberger
Davis (IL)	Langevin	Rush
Davis (TN)	Larsen (WA)	Ryan (OH)
DeFazio	Larson (CT)	Salazar
DeGette	Lee (CA)	Sánchez, Linda
Delahunt	Levin	T.
DeLauro	Lewis (GA)	Sanchez, Loretta
Dicks	Lipinski	Sarbanes
Dingell	Lowey	Schakowsky
Doggett	Lujan	Schauer
Doyle	Lynch	Schiff
Driehaus	Maffei	Schrader
Edwards (MD)	Maloney	Schwartz
Edwards (TX)	Markey (CO)	Scott (GA)
Ellison	Markey (MA)	Scott (VA)
Engel	Marshall	Serrano
Eshoo	Massa	Sestak
Etheridge	Matsui	Shea-Porter
Farr	McCollum	Sherman
Fattah	McDermott	Shuler
Filner	McGovern	Sires
Frank (MA)	McIntyre	Skelton
Fudge	McMahon	Slaughter
Gonzalez	Meeks (NY)	Snyder
Gordon (TN)	Melancon	Snyder
Grayson	Michaud	Space
Green, Al	Miller (NC)	Speier
Green, Gene	Miller, George	Spratt
Griffith	Mollohan	Stark
Grijalva	Moore (KS)	Stupak
Gutierrez	Moore (WI)	Sutton
Hall (NY)	Moran (VA)	Tanner
Halvorson	Murphy (CT)	Taylor
Hare	Murphy, Patrick	Thompson (CA)
Harman	Murphy, Tim	Tierney
Hastings (FL)	Murtha	Titus
Heinrich	Nadler (NY)	Tonko
Higgins	Napolitano	Towns
Hinchee	Neal (MA)	Tsongas
Hinojosa	Nye	Van Hollen
Hirono	Oberstar	Velázquez
Holden	Obey	Wasserman
Holt	Olver	Schultz
Honda	Ortiz	Waters
Hoyer	Pallone	Watson
Inlee	Pascrell	Watt
Israel	Pastor (AZ)	Waxman
Jackson (IL)	Payne	Weiner
Jackson-Lee	Perlmutter	Wexler
(TX)	Peters	Wilson (OH)
Johnson (GA)	Peterson	Woolsey
Johnson, E. B.	Pingree (ME)	Wu
Kagen	Polis (CO)	Yarmuth
Kanjorski	Pomeroy	Young (AK)

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Aderholt	Cao	Gingrey (GA)
Akin	Capito	Gohmert
Alexander	Carter	Goodlatte
Austria	Cassidy	Granger
Bachmann	Castle	Graves
Bachus	Chaffetz	Guthrie
Barrett (SC)	Childers	Hall (TX)
Bartlett	Coble	Heller
Barton (TX)	Coffman (CO)	Hensarling
Biggart	Cole	Herger
Bilbray	Crenshaw	Herseth Sandlin
Bilirakis	Culberson	Hill
Bishop (UT)	Davis (KY)	Himes
Blackburn	Deal (GA)	Hodes
Blunt	Diaz-Balart, M.	Hoekstra
Boccheri	Donnelly (IN)	Hunter
Boehner	Dreier	Ingalls
Bono Mack	Duncan	Issa
Boozman	Ehlers	Jenkins
Boustany	Ellsworth	Johnson (IL)
Brady (TX)	Emerson	Johnson, Sam
Bright	Fallin	Jones
Broun (GA)	Flake	Jordan (OH)
Brown (SC)	Fleming	King (IA)
Brown-Waite,	Forbes	King (NY)
Ginny	Fortenberry	Kingston
Buchanan	Foster	Kirk
Burgess	Foxo	Kirkpatrick (AZ)
Burton (IN)	Franks (AZ)	Kline (MN)
Buyer	Frelinghuysen	Lamborn
Calvert	Gallely	Lance
Camp	Garrett (NJ)	Latham
Campbell	Gerlach	LaTourette
Cantor	Giffords	Latta