that basis. I think the voters look at what this country has been through in the last few years and they see the terrible injustice of it. I don't think the Tea Party movement is about punishing women and children and poor people. I think they want commonsense justice.

Mr. Speaker, only 12 percent of the country's budget is spent on these important programs for the needy. When you cut these programs, you pull American children out of Head Start, you put Americans on the street, you let the bridges we go to work on crumble. That doesn't balance the budget.

Without any changes to current policy, the budget deficit will drop to $500 billion in 2 years. Now, that deficit will slowly rise again. This slow rise in the coming years is the big issue, and it's caused by two things: increased health care costs and a defense budget that is out of control.

Mr. Speaker, we're going to fix the long-term budget deficit of this country by lowering health care costs and by having a sensible defense budget. We aren't going to do it in an orgy of intolerance and demonization of the middle class and working people in this Republican budget.

I think the Tea Party voters want responsible spending. So do my constituents. The Tea Party voters want basic fairness. So do my constituents. Tea Party voters have been misled by the American fear machine into thinking that education and basic services and public employees is where the big savings are. That is a terrible myth and a terrible disservice to the public.

I hope the Tea Party members in the House quickly learn the basic math of the budget. The deficit is about defense and health care spending, not about pushing even more children into poverty.

Every Member of this House ought to watch the 60 Minutes segment from last Sunday night on children who are living in cars, living in motels, living in shelters because they have lost their homes. Twenty-five percent of American children in this country are living in poverty. That show looked like we were looking at Bangladesh. That's what we ought to be pointing to, not spending our time out here today on H.R. 830, whacking the daylights out of another bill to prevent foreclosures. It is simply not what America is about.

I urge all my colleagues to vote ''no'' and to go pull up on the Web that segment from last Sunday night and look at the faces of those children and realize you're creating their lives by the kind of economy you put together.

BUDGET/DISCRETIONARY SPENDING

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

Mr. HOYER. Mr. Speaker, I want to congratulate the gentleman from Washington State for focusing America on what the issues are before us.

In recent weeks I have come to the floor to argue that the Republican spending plan does two extremely harmful things: It weakens our economy and fails to seriously reduce our debt.

Democrats agree that cutting spending is part of the solution to our difficult problems that confront us. But we also believe that cuts should be smart and targeted, not reckless.

Rather than cutting investments in growth—at the same time our international competitors are ramping up theirs—Democrats support the Make It In America agenda, a plan to invest in innovation, manufacturing jobs, and middle class opportunity. That's what the President talked about in his State of the Union, and he was right.

Unfortunately, the consensus that the Republican spending plan will halt our economic recovery and cost jobs is widespread and nonpartisan.

Fed Chairman Ben Bernanke, appointed by President Bush, tells us that the plan will cost ''a couple of hundred thousand'' jobs. Macroeconomic advisers tell us that the Republican plan will wipe out approximately 450,000 jobs. Moody's Analytics chief economist Mark Zandi, who advised Senator MCCAIN in his Presidential campaign, tells us that it will cost up to 700,000 jobs. The Economic Policy Institute puts the number at 800,000 jobs. Whatever the precise number, it is a large number of jobs that will be lost if we pass the Republicans' budget solutions.

What they want to do, as the gentleman from Washington State said, this is all exempt. This is security. These are all mandatory expenditures. This small slice of the budget, about $460 billion, the Republicans want to cut by 22 percent, give or take a percentage point. So they are holding harmless almost all of 85 to 86 percent of the money that we spent and say we're simply going to cut from education, from health care, from children, from community development—projects—the guts of what makes our communities have a better quality. At the same time, I have argued the Republican spending plan barely puts a dent in our budget deficit.

It's reasonable to ask how can this plan have such severe consequences for our economy, yet so little impact on our fiscal predicament? This chart helps us answer the question. All of the proposed cuts, all of the cuts, come from this small slice of the budget, the category of our budget called ''non-security discretionary spending.''

But non-security discretionary spending, the gentleman from Washington State said 12 percent. We have here 14 percent. It's in that neighborhood depending upon exactly what you include as security or non-security. When you attempt to find $100 billion in savings and when you insist on getting these savings from 14 percent of the budget, you have to cut very deeply into absolutely essential projects and programs for our people.

□ 1040

You have to cut billions in funding into new medical cures and energy technologies. You have to kick 200,000-plus children off of Head Start. You even have to cut port and transit security by two-thirds. Hear that again. They're cutting port and transit security by two-thirds while they're holding terrorism hearings.

The chairman of the House Homeland Security Committee, a Republican, said those cuts were ''too dangerous.'' As David Brooks recently argued, Congress should ''never cut without an evaluation process.'' But instead, legislators—he referred to the Republican initiatives—''are simply cutting on the basis of what's politically easy and what vaguely seems expendable.''

It may be possible to portray taking on 14 percent of the budget as fiscally responsible, but only because doing so exploits Americans' misunderstanding of the budget. A recent poll shows that 63 percent of Americans think we spend more on defense and foreign aid than we do on Medicare and Social Security—all the blue, all the green, and then the yellow, that small sliver—which, by the way, includes discretionary foreign policy expenditures.

Mr. Speaker, I urge our citizens to look at the consequences of these cuts and look at the small sliver that the Republicans are focusing themselves on and you and me on. We need to see the whole picture if we're going to come to grips with the challenge that confronts us.

When another poll asked Americans how much we spend on foreign aid, the average estimate was 27 percent—when the right answer is about 1 percent.

It is entirely out of step with fiscal reality to attempt to tackle our deficit while ignoring 86 percent of the budget.

"Fiscal responsibility" is not synonymous with "cutting non-security discretionary spending."

In truth, fiscal responsibility is much more difficult than that.

As former Republican Congressman Joe Scarborough put it this week, "The belief of some on the right that America can balance the budget by cutting education, infrastructure, the corporation for public broadcasting, and home heating assistance to the poor is tantamount to budgetary witchcraft."

We have to start doing more.

We have to address the Defense spending that takes up more than a quarter of our budget. We have to make hard choices that can keep our entitlements strong for generations to come.

And, with tax revenues at a 60-year low, we have to pass deficit-reducing tax reform.

Unless we're willing to take on that hard work, on a bipartisan basis, none of us deserve to call ourselves fiscally responsible.

NFL PLAYERS AND TEACHERS

The SPEAKER pro tempore. The Chair recognizes the gentleman from California (Mr. GEORGE MILLER) for 5 minutes.

Mr. GEORGE MILLER of California. Mr. Speaker, the National Football League contract bargaining fight could teach an important lesson to the Governor of Wisconsin about how to ensure high-quality teachers in his State. When Governor Walker dictates that teachers will lose their collective bargaining rights except for negotiations over pay, he shows how out of touch he is with the teaching profession, with school reform in America, and, frankly, with the American workplace.

Having a voice at work has never been just about pay. It is about whether the American workplace will respect and nurture workers' skills, their abilities, and their ingenuity, or will it simply crush their spirits. It's about the total workplace and the ability of employees to utilize their talents and their time to the fullest extent, to be valued by and add value to the enterprise, whether that enterprise is a school, a factory, or an NFL team.

Ask yourself this: If he could, would Governor Walker limit collective bargaining for the world champion Green Bay Packers to just questions of pay? If he tried, he would discover rapidly that in the world of millionaires, as in the world of teachers, it is not just about pay. It is about the quality of the job and the career.

The Governor would quickly discover that, as important as pay is in the world of pro sports, an NFL player innately cares about the conditions of employment. He knows that his ability to get to that all-important second contract is governed by more than just his talent. Will he have to play 16 or 18 games? What is the increased likelihood of concussions or other injuries that can end his career from an extended schedule or fewer practice games? Probably good for the wallet, but is it good for the player?

The NFL owners who are worth $40 billion want the players to give back $1 billion, saying that they need it to improve and build new stadiums. Is that with or without the taxpayers' help? The players ought to find out.

Yes, in the world of megastar athletes, pay is important, but the workplace dictates so many other important issues that NFL players must be concerned with if they are to reach their potential of the profession for which they have trained their whole lives.

For many teachers, like athletes, their careers are their passion. Research tells us that a very significant number of teachers start thinking about a career in teaching while they're in middle school—not too different from athletes who start to get serious about their athletic futures. Like an athlete, the teacher's desire will not be enough to sustain his or her career.

Other important elements are involved to ensure a teacher's success and the success of his or her students. How will teachers be supported in schools? What will be their access to meaningful professional development? Will teachers be given time to perfect lesson plans and presentations? Will he or she have a say in campus safety? Will they be included in the reform decisions that are made for the school and for the students?

All over America school districts are changing the rules from the mere platitudes that teachers are the most important influence outside the home in the education of our children to really making it possible. Districts are soliciting teachers' views to improve both the learning and the teaching environment. It is happening in States and schools in tough unionized areas where some said it could never happen, and it will continue because it reflects what the new and current dedicated teachers view as a modern workplace, where results and outcomes matter to students, parents, teachers, and the community. It's not just about pay. Teachers advocate for our children. They advocate for our children when they are sick or troubled or when they're being bullied, when they need help learning.

The Governor of Wisconsin's view of dictating and mandating without the say and collaboration that teachers want and expect in their careers is a broken model from the past and will not give students, parents, or our economy the results that our country needs as we enter the next generation of a highly competitive globalized economy.

Many Americans may not care who wins between wealthy team owners and often highly paid NFL players, but no one is suggesting that the players should lose their right to collective bargaining on a wide range of issues and only be able to bargain just on pay.

Governor Walker should stop attacking his State teachers and his public servants.

WALL STREET RISES AS MAIN STREET FALLS

The SPEAKER pro tempore. The Chair recognizes the gentlewoman from Ohio (Ms. KAPTUR) for 5 minutes.

Ms. KAPTUR. Mr. Speaker, almost one in four homeowners in our country is underwater, meaning they owe more on their mortgages than their homes are worth, and all of this misery is due to Wall Street's rigging of our economy.

But on Wall Street, they're popping champagne corks. The Nation's biggest banks—Bank of America, Wells Fargo, Citigroup, JPMorgan Chase, Goldman Sachs, and Morgan Stanley—have been raking in huge profits, all at the expense of the American people. In fact, these institutions have doubled in size through predatory mergers since the fall of 2007, and these six banks now control two-thirds of the banking system in our country.

They cleaned up with profits in 2010—$51.6 billion in profits, more profits than they made before the American people bailed them out. Main Street is underwater, yet Wall Street is going on a pleasure cruise. It doesn't take a mental giant to figure who got our money.

According to a recent report, the economic crisis that Wall Street precipitated has now caused massive tax revenue shortfalls for the Federal Government and our State governments totaling nearly $300 billion. This is why people are at one another's throats in Wisconsin, in Ohio, and other places. Yes, ordinary Americans—teachers, police, firemen—are being pink-slipped, and the American people are being forced to accept cuts in government services while Wall Street keeps winning, and winning big.

They know well how to win for themselves. This year, Bank of America is receiving an income tax refund of—are you ready for this, America?—$666 million for 2010. Now, that followed $3.5 billion in refunds that Bank of America reported in 2009. Bank of America's Federal income tax benefit this year is roughly two times the Obama administration's proposed cuts to the Community Development Block Grant program, which is a lifeline to communities such as I represent where unemployment is still over 9 percent.

Six banks—Bank of America, Wells Fargo, Citigroup, JPMorgan Chase, Goldman Sachs, and Morgan Stanley—together paid income tax at an approximate rate of 11 percent—oh, those poor companies—of their pretax U.S. tax earnings in 2009 and 2010. Had they paid 35 percent like every other honest business in this country, the Federal Government would have received an additional $13 billion in tax revenue. Do you know how much that is? That's enough to cover the salaries of 132,000 teachers whose jobs have been lost since 2008. Who do you think has caused all the layoffs?

□ 1050

Wells Fargo reportedly received a $4 billion Federal income tax refund on $18 billion in pretax income in 2009 and only paid 7.5 percent of its pretax income of $19 billion in 2010. Its net Federal income tax benefit for 2009 and 2010 combined is $2.5 billion, which equals the Obama administration's cuts to the low-income energy assistance program that is vital in cold weather to senior citizens, particularly women over the age of 80 years in districts like I represent.

So who took their money? Pretty clear to me.

Banks use a variety of mechanisms to avoid corporate income taxes, including offshore tax shelters. Fifty percent of these six big banks have 1,871 foreign subsidiaries incorporated in jurisdictions we know as off-shore tax havens, like the Cayman Islands.

The Bank of America operates 371 tax-sheltered subsidiaries, and 204 in the Cayman Islands alone.

For Goldman Sachs, 75 percent of its foreign subsidiaries are incorporated in offshore tax havens.

So who's paying their freight? You are—the American people.