The President and Congress extended all of them through 2012 at a two year cost of $800 billion.

A ten year extension of all these tax cuts will cost $3.8 trillion—$3 trillion of which are the popular middle-class tax cuts.

Earlier this week, the Congressional Budget Office released its latest projections of the Social Security Trust Fund. It was previously projected to go into a cash deficit in 2017, but now CBO has projected that the trust fund is now running a deficit. The trust is expected to be exhausted in 2037.

We can no longer operate under the assumption of the last decade, that we can increase spending and reduce taxes without having to pay for it.

The last Congress took important steps to restore some important tools that were used to produce the first budget surplus in more than a generation in the late 1990s, such as Statutory Pay-As-You-Go—meaning if Congress wants to increase mandatory spending, we have to offset it by reducing spending elsewhere in the budget or increase taxes to cover the increase.

Unfortunately, the new Republican majority has changed House rules gutting PAY-GO's effectiveness in the congressional budget process. The so-called CUT-GO rule prohibits offsetting any new mandatory spending with a revenue increase. This makes it nearly impossible to offset any new spending or tax cuts with revenue increases and will require only spending cuts.

In another unprecedented change, the House voted to give the House Budget Committee Chairman the sole responsibility for setting discretionary spending levels for the remainder of Fiscal Year 2011. The House of Representatives as a whole will be deprived of the right to vote up or down the Budget Chairman's levels.

We have to remember that what we do with the Federal budget touches everyone. Our fiscal problems are very complex and they need to be addressed, but there is no simple, one-size-fits-all solution.

H.R. 1, the Continuing Resolution making appropriations to fund the federal government through September 20, 2011 contains some very deep cuts that will be very hurtful to many Americans, especially those who are the most vulnerable—disadvantaged women and families, children, minorities, and the elderly.

As we face a large deficit and growing debt, we know that cuts will have to be made. And yes, some of those cuts will be painful. However, we must be careful not to place added burdens and cause greater harms to those Americans who are the most vulnerable in need of our support the most.

The proposed CR will cut funding allocated to support Community Health Centers. These types of facilities are widely utilized in low income areas and oftentimes, are the backbone of healthcare services in the areas in which they are located. Without them, quality health care for many poor and disadvantaged Americans will be out of reach.

Although my Republican colleagues claim that the proposed CR will not cut precious education funding, there are, in fact, significant cuts that will have a detrimental impact on education—especially higher education. Many fellowships offered at institutions of higher education are funded by competitive and non-competitive grants issued by the National Science Foundation (NSF) and the National Institutes of Health (NIH). Cutting funding to these organizations will impose a great hardship on students striving to educate themselves in order that they can be competitive in a global economy.

Under the proposed CR, NSF funding would be cut by $139 million.

Under the proposed CR, NIH funding would be cut by $1 billion.

The proposed CR will cut nearly $2 million dollars from the Minority Business Development Agency.

The proposed CR would cut $600 million dollars from the Community Oriented Policing Services programs (COPS). Such a cut would require a complete elimination of the hiring programs. Over the years, COPS has funded the hiring of more than 122,000 state and local police officers and sheriffs deputies in communities across America. This proposed cut will prevent the hiring and rehiring of over 3,000 fewer law enforcement officers.

The public safety of our communities is important, and during these tough economic times as we recover from one of our country's worse recessions, every job counts. We can not afford cuts that will cost jobs for hard-working American people.

Another instance where the CR disproportionately effects our low-income, minority population is the cut to WIC funding. The current CR calls for a huge cut, $758 million, to funding for the WIC program, which supplements nutrition for low-income and disadvantaged women and children.

Under the American Recovery and Reinvestment Act (ARRA), we set aside funds to help invigorate the economy across various areas. These funds were intended to be used over a number to encourage the continued growth of the economy. However, under the proposed CR, any unobligated or uncommitted stimulus funding would be eliminated.

Mrs. CHRISTENSEN. I just want to assure you that the Congressional Black Caucus will work with all of our colleagues to craft a budget that's fair and yet reduces the deficit, as we've done every year.

THE BUDGET

The SPEAKER pro tempore (Mr. WOMACK). Under the Speaker's announced policy of January 5, 2011, the gentleman from Missouri (Mr. AKIN) is recognized for 30 minutes.

Mr. AKIN. Mr. Speaker, it is a treat to be able to join my colleagues here this evening and to consider this great discussion and debate that is taking place over the past months, but particularly during this week as we approach the question about what are we going to do with funding the remainder of this year. There, of course, was no budget decided on last year, and so they do a thing called a continuing resolution. So there's a lot of discussion as to how much can we be affording to spend of the taxpayers' dollar.

And I thought that it might be appropriate this evening to take a look at that, not so much in a lot of minuscule detail, but at the magnitude of the overall question that's before us and how the math just doesn't work. I will also try, as we have a chance to get into a discussion this evening, to connect it to the problem of unemployment, because all of these things are connected, and still I think it's helpful to look from an overall perspective.

So what I have here is one of those—we always have these pie charts. I particularly like pie. And this particular pie chart here shows some different areas of the Federal budget. Now, this is the total of Federal spending here and the pieces of pie are roughly proportional.

What I would like to start with this evening, so we have a big picture of how serious the excessive spending in the Federal Government is, is to start by making a distinction between a couple of types of spending. The first kind of spending—and maybe to some people this sounds like sort of Washington, D.C., talk but they call it mandatory spending or entitlements. And mandatory spending may be not necessarily mandatory, but what that means is that legislators, maybe as much as 50 years ago, passed a series of laws, and those laws then automatically spit out dollar bills out of the Treasury. So anytime somebody who happens to be the right person waves their hand in front of the little machine, out pops a dollar bill.

And so we have these things, and they're called entitlements or mandatory spending. So these are places where the Federal Government just is automatically spending money, and there are some of them that are very familiar with most people: Social Security here, Medicare, and Medicaid. Those are the three big, as they call it, entitlements or mandatory spending.

There are other entitlements that are smaller, and that's in this category over here, the other quote, mandatory spending. So these are not Medicare or Medicaid, Social Security, but they are the other mandatory.

And then there's another thing that acts just about like mandatory spending, and that is the interest on our debt. When the Treasury decides to sell a Treasury bill, the reason people buy a Treasury bill is because it is going to pay some interest to them. So we have to pay the interest on our debt, and in that sense, when we decide to spend money that we don't have, we are creating what is, in essence, like a little machine that spits out dollar bills.

□ 2030

Let's say that you take all of this mandatory spending, or entitlement spending, and add it to the interest on the debt, how much does that add up to? It adds up to about $2.3 trillion for this year. Now what in the world does $2.3 trillion mean? Most of us don't have a good sense of perspective. Well, $2.3 trillion happens to be the revenue that the Federal Government collects this year. In other words, what we're saying is, if you take this purple and this aqua color and this gold color and light and dark blue here, you add this all together, this is equal to the revenue that comes in for the Federal Government.

What, then, does that leave out? Well, it leaves out these two other pieces of pie. One is defense, and one is non-defense. They're called discretionary because each year we decide how much money you're going to spend in those categories. So what we're saying is—and I think this is really chilling—it sounds maybe a little boring to explain it. But just think about this a little bit: The entitlements and the debt service equals our revenue. That means if we want to balance the budget this year, what we would have to do would be to get rid of all of defense. Not one soldier, not one plane, not one tank, not one ship, nothing. There would be nothing in defense. And nothing in the non-defense discretionary. No Department of Energy, no Department of Commerce, no Department of Education. There would be no Park Service. There would be no prisons. There would be no Homeland Security. There are all kinds of things that the Federal Government does that we fund every year which would be gone. So there would be no defense and no non-defense discretionary. Well, the country wouldn't survive very well under those conditions. So that's the problem. These entitlements have grown so much that they have eaten up the whole budget.

Now this week, we're going to be debating how we're going to cut this non-defense discretionary, cutting a little bit from defense but mostly non-defense discretionary; and we're talking about $100 billion. Is that a lot of money? Sure, it's a lot of money. Is it a lot of money compared to the fact that we're about $1.3 trillion or $1.5 trillion over? Not so much then when you compare $100 billion to about $1.5 trillion.

I am joined tonight by a good friend of mine, a freshman congressman from Arizona, PAUL GOSAR. We had a chance to talk about this a little bit last week, and I invite you to jump in because what I hope that people are starting to understand here is that we have got a big financial problem down here. Our entitlements and debt service is equal to how much revenue we take in, and that's assuming you have zero for defense and zero for this other, non-defense discretionary. I mean, there is no money to run the government with. That is a fairly significant problem. Let's talk about it, my friend.

Mr. GOSAR. Well, you're right. I thank my good friend from Missouri for yielding.

When we start to look at it in the CR, when we're talking about cuts, we can't legislate from the CR. What we have to do is we have to just make the plain cuts. And that is why in the budgetary process, that's the second step in which we're going to have to address the entitlements, looking at how we legislate directing, redirecting, and making cuts. So I think that is an important thing that the American people need to share.

Mr. AKIN. In other words, I think your point is, PAUL, that in our debate this week, first of all, almost all of the discussion is centered right over in this—it looks like Campbell's tomato soup on my chart here—it's in this section, and it's ignoring all of this which is equal to the entire revenue of the Federal Government. So you can see that you could cut this to zero, and you still aren't going to fix the problem. On the other hand, it doesn't mean we shouldn't be looking for savings and cutting everything we can.

But you are putting in perspective this whole week. I think that's tremendously helpful, PAUL, to do that. And I think, as I recall, there is about $16 billion being taken out of defense which is not as deep a cut as what the non-defense discretionary is getting; is that correct?

Mr. GOSAR. That is exactly right. And the savings that we're making here extrapolates over the next 10 years at a great discount to the American people in our budget and what we're going to have to come up with in the future. That's what's so wonderful, at least by the first 5 weeks of this Congress, is zero implications on raising debt.

Mr. AKIN. What you are seeing is a very serious attempt to get into reducing the size of the government. I mean, we are stepping on all kinds of political toes just to say, hey, it may be a nice program, but we're in trouble. I was asked by a reporter—I believe it was earlier today—whether or not the position that I was taking on these cuts and everything was like a Tea Party position. I said, You know, I guess we all reflect, to a degree, our training. I was trained as an engineer; and to me, this is just plain math. It isn't liberal math. It isn't conservative math. It's just flat-out, this is how much money these entitlements are taking, and this is how much money is coming in. The two are equal, and we don't have any money for these things. I don't know if this is politically liberal or conservative or anything else. It's just the reality of the political deficit.

Now the one thing we haven't added here—this is just this year—we haven't added the perspective of time. I think it's helpful if we take a look at what time does to this in several regards. The first is, one of the things that is happening to those little pieces of the pie is, they're growing. This has got Medicare, Medicaid, Social Security. And it shows over time what's going on without the other entitlements and without the debt service. You see that those of us—I hate to admit my age—but some of us baby boomers, as we get older, we are going to be leaning on Social Security, Medicare, and Medicaid more. There are more people there, so that's going to make these numbers go up. What we've seen is that the revenue the Federal Government collects hovers in here at 18 percent. There are times, historically, when we've raised the tax rate tremendously, and yet it seems like it's still 18 percent of GDP. So if this 18 percent is not that flexible, whether you raise or lower taxes, then when you get down to this problem, you say, uh-oh. Because before you could say, our revenue was equal to all of these entitlements. Well, raise taxes. No problem. Yes, there is a problem. Because as you raise it, you won't collect any more money. You crash the economy, and the entitlements are still growing. Over time these entitlements are still growing. So this picture here, as scary as it is, is not as scary as it really is because it doesn't take into effect that the entitlement pieces are growing rapidly.

Here is the other piece from a time point of view. And that is, this red line is the growth of entitlements. This is 1965. And we're going over here to 2010. You notice the entitlements are 2.5 percent in 1965. This is just Medicare, Medicaid, and Social Security. It's up to 9.9 percent. But really, when you add the other entitlements and debt service, you are getting up closer to 18 percent. So what's happened is, the entitlements are going out of control. Even if you assume that the other entitlements are roughly 12 percent or something, you're at 500 percent growth in entitlements. And yet here is defense spending. It's 7.4 percent here. It goes up as high as over 9 percent here and drops all the way down to 4.9. So defense spending is going down; entitlements are going up. And now we get to the point where you could cut defense to zero and still could not compensate with this incredible growth in entitlements.

I want to let you jump in, PAUL, because I think that people now can start to see what it is and why it is a whole lot of Americans—not just Republicans or Democrats—but just plain old Americans are saying, Hey, we have got to pay attention to what's going on because these numbers are very scary.

Mr. GOSAR. Well, everybody knows the analogy of a bank. When you put money in early, and let it build up in a rolling account, compounding interest, you grow to a bigger fund. That's the opposite of what's happening here, reverse compounding interest. We are building up more and more people on the rolls with fewer and fewer people actually helping out to support it. The last part is, is that we have an economy that is lagging way behind. We are still over 9 percent for how many months now? And what we have to do is, in order to create a better economy, that's what's going to help us service these programs and get people involved. So it's a variant equation that we have to work by.

Mr. AKIN. So what you're saying is, one of the things that is affecting this is just the condition of our economy. And I was planning to get into this a little bit with you. When we started, I wanted to talk and work in the problem of unemployment and how do we deal with the level of unemployment in our economy today.

□ 2040

We've got the government saying it's 9-point-something percent unemployment. And that's an optimistic number, because if you've been unemployed more than a year, they drop your name off the list. You may still be looking for a job. So the real level of unemployment people are saying is well beyond 10 percent.

So one of the ways you can—I guess this may be a backwards way of looking at it. What are the things that are creating that unemployment?

And I went to, believe it or not, to a Main Street in my district, and I got a whole bunch of businesses there and I said, Now, what is it that's causing this unemployment? And I asked all these different people, and I was encouraged because they told me the very same things that my common sense told me and everybody else is saying. Anybody who has run a business knows what makes the unemployment. The first thing is when you start taxing the owners of small businesses heavily, they can't put money back into their business because they're busy paying taxes.

I believe, gentleman, is it true that you were a doctor?

Mr. GOSAR. Yes.

Mr. AKIN. And did you have a clinic of your own?

Mr. GOSAR. Yes, I did.

Mr. AKIN. And so if you got taxed a whole, whole lot, are you going to put money into new equipment and expanding your clinic, or is it going to have to go to pay your taxes?

Mr. GOSAR. Absolutely not, and you're not going to hire somebody when you don't know the economic rules. And we have besieged the American people with a set of rules that have a lot of uncertainty to them.

Mr. AKIN. Now you're getting to the second point. You're already ahead of them.

The first point is, if you want to kill jobs, take the money away from the owners of small businesses. You could say, Hey, that guy's making over 250,000, obviously having too much fun. We're going to tax him into the dirt, make sure he doesn't have a better time than we do.

The only trouble is, if you want jobs, you can't destroy businesses. And that's the connection it seems like this administration, the Democrats, keep missing; and that is, if you keep talking about pounding rich people and those bad corporations, if you pound them into the dirt, there are not going to be any jobs. And that's where we seem to have this disconnect going on.

So first thing is you do not want to tax those people a whole lot because you want them putting the money back into their business. The second point you're making, though, is all these regulations and redtape, it may not be a tax, but it has the same effect, doesn't it?

Did you have to fill out a lot of paperwork in your business?

Mr. GOSAR. With the health profession, we have tons of it, from HIPAA disclosure to anything. When we deal with insurance, the paperwork is endless.

Mr. AKIN. Do you have to hire people to fill that paperwork out all the time?

Mr. GOSAR. We have people that just do insurance filings, just do our mandatory paperwork with the Federal Government.

Mr. AKIN. So, in a way, it's creating a job for people to deal with government redtape, but it doesn't really create any wealth, does it?

Mr. GOSAR. No, and there's not a service to be provided. It's actually servicing the public interest within the Federal Government.

Mr. AKIN. So, in effect, what it's doing to the economy is the government is making you less efficient as a business, and that redtape then adds to your cost of doing business, which then tends to dry up jobs.

Mr. GOSAR. That's exactly right.

Mr. AKIN. Particularly in manufacturing, if you do that too much in manufacturing, it makes it so expensive to make something in this country, the guy who owns the business says, Hey, I've got an idea. I'll take this machine that makes good product and I'll send it to a foreign country where they don't have all that silly redtape and they don't have all those taxes, and I'll make the product over there. And so the jobs just disappear from us because of taxes and redtape.

Now, there's another one that the people on Main Street in St. Charles talked about, too, and that is a little bit less tangible. It's the sense of unknown. It's the sense of fear because the government's doing one dumb thing after the next, and they're afraid to make a decision because of the instability. The economy is down. It's hard to get loans, and they're not sure what we're going to do. For instance, the big health care bill was pending, and so what are you going to do?

Well, because you don't know the environment, you tend not to make a decision, don't take risks because it's a very tumultuous type of time. There's too much of a storm brewing, and you don't want to be out too far from shore when there's a big storm brewing up. And so people hunker down and they don't hire people. And so that's another thing. And we're doing all those things wrong. Even now we're doing those things wrong, and we wonder why we have unemployment.

And, of course, the big one is government spending, and boy, are we doing that. You've got these entitlements that are out of control, and who's going to pay this tab?

And so, you put all of these things together and you have almost a perfect storm on business. And people wonder, Gosh, why do we have over 10 percent unemployment? Well, it's because we're doing all the things to create unemployment.

Please jump in, PAUL.

Mr. GOSAR. The Federal Government has also made winners and losers, and so we don't know in small town USA whether we're one of the winners or the losers.

Mr. AKIN. Oh, you're going to do the bailout drill. We're going to bail this one out but that one you don't get bailed out.

Mr. GOSAR. And then our rule is that something went wrong. When it's bureaucrats asleep at the wheel, what we do is pass more regulations so that the small banks that we have in our communities can't lend. They're the ones who get audited five times in less than a year. What about the same application to the big banks? Where is that equal aspect to the law?

Mr. AKIN. PAUL, I don't believe it. It's just like I'm stepping back in time to that Main Street in St. Charles, because you're bringing up that fifth point that they always talked about. It is sort of an ironic thing, because you've got Bernanke at the Federal level. The Chairman is creating all this liquidity. He's doing QE2, which sounds like a science fiction, and I think it may be science fiction economics. But anyway, he's creating all this money. They used to call it printing money. But he's created a whole lot of money at the top, and yet somehow or other the funnel got pinched off and the money's not coming down to Main Street. And part of the reason it's not is because all of these regulators are all over the banks second-guessing the loan. So if the businessman isn't fearful enough as it is, and if he does actually want to get a loan, he's finding that the banker is being awfully tough.

And I think they're typically 5- or 7-year loans, is that right, gentleman?

Mr. GOSAR. It can be, yes.

Mr. AKIN. Is that what you're talking about, basically the banking regulators, the Federal regulators, are kind of looking over the shoulder of the small banks all the time?

Mr. GOSAR. Well, what it is—I'll give you an example from right in our own district—is that we have a small bank that has 39 percent in liquidity versus loans out.

Mr. AKIN. Thirty-nine percent liquidity; isn't that very, very high?

Mr. GOSAR. Very, very high. It's above the norm of what would be 8 to 10 percent. And yet they gave out two loans in December, but yet have already had three audits in the fiscal year 2010 and have two more scheduled in the first quarter.

Tell me where that aspect is and how that actually works, and especially when we have one bureaucrat disagreeing with another bureaucrat that this audit wasn't supplanted for another audit. That's the disruption and that's the fleecing of America.

Mr. AKIN. Well, now the question is, if the banker is a businessman and he's taking risks and he wants to make a loan and when he makes a loan he gets some interest, and as long as the loan's good, then he makes money that way as a banker; now, if he wants to do that, why do we have a bureaucrat looking over his shoulder all the time, particularly as long as he's got a sufficient amount of liquidity to cover potential losses? Why is it that the regulators are deciding to regulate every aspect of our free enterprise?

Mr. GOSAR. Well, it's actually the crux and the problem with our economy at this point in time. We actually had a government that disrupted the understanding of the way the risk was looked at. And we said, no, we don't need to follow anything, particularly in the housing industry. We actually saw bureaucrats saying, no, we don't need this application of risk. We can undermine it a little bit worse. And what we got is no skin in the game, no application, no money down, and what we had is a failure along Fannie Mae and Freddie Mac.

Mr. AKIN. You get into this whole thing, and if you looked at what we have talked about tonight, you kind of start tearing your hair out and wanting to go buy some real estate on a desert island somewhere to get away from this huge problem. But there are solutions to this. But you have to realize where the solutions are.

The first thing is you have to realize that we're not going to deal with the economic problems of our country until we can reduce the rate and the number of entitlements we've got. Now, somebody could object and say, Wait just a minute Congressman AKIN, because couldn't you deal with these entitlements if you just got your taxes up higher? If you could get these taxes here that are running 18 percent, if we could double that, why don't we make it a 40 percent tax rate? Oh, that would take care of this, at least for a while. Let the entitlements grow and tax everybody at 40 percent. The problem is it doesn't work. And I think that's something that we ought to warn people about here.

There's something here, this is sometimes now known as the Laffer curve, and what I have shown here is the top marginal income tax rate.

□ 2050

Now, that doesn't mean that in 1960 everybody was paying 90 percent tax. These are the most well-to-do people. But this is what happened to the top tax bracket over time. We started to reduce the taxes on some of the very top income people, bringing them down more into this 30 percent range. Take a look at what happens to the Federal tax receipts.

This is an example of the fact that you can actually reduce taxes and grow the revenue of the Federal Government. The reason that works is just what you were talking about. Because you are a businessman, you understand this stuff. And that is, what is happening is when a small businessman can invest in his own business, he creates jobs. With those jobs, people are paying taxes. That means more revenue for the government. So when you get the economy going, we take in much more revenue.

So the first thing you can do is, actually, by reducing taxes, you can create more revenue, get the economy going, and that will help some. But it's not enough to deal with this entitlement problem.

So really, you have a couple tracks you have to take on. One, you have got to cut the entitlements down. But you also likewise have got to keep working this advantage of getting your taxes in line to create a strong economy.

Here is an example. When I was here in Congress, in the third quarter of 2003, we cut three taxes: Capital gains, dividends, and death tax. We cut all three. And this picture right here, this black line, is when the tax was cut, and this is the GDP. These are the GDPs from 2001 to 2003. And you can see, some of them we actually lost GDP. We got up to 2¾ GDP. And then here, we do the tax cut, and take a look at what happens afterwards. The average GDP is 3.5 versus 1.1. So GDP jumps.

So now we have cut taxes. And you'd think, well, maybe that's good, because now GDP is going. It gets the companies going, gets the pump primed. What else goes on at the same time? We've got this next chart. This is employment. This is before the same tax cut in May of 2003. You see, all these lines going down means loss of jobs. That means we lost jobs overall in the economy. The lines that go up were the months where we gained jobs. Take a look after the tax cut. Look at what happens. You get a whole lot more jobs being created.

So if you have got better GDP, more jobs being created, you know what the final chart is going to show, and that is, quite simply, by cutting taxes we actually grew the Federal revenues. That's a good thing to be able to grow. It was down here at 1.7 trillion, jumped up to 2.5 trillion just by cutting taxes. What we did was, we cut taxes, and we ended up with increase in revenue.

So there's two pieces to this equation. One, what we have got to do is adjust tax policy and create an environment in terms of redtape, in terms of Federal spending, in terms of tax policy, and in terms of allowing liquidity to be flowing through the banks. We have got to create something that's pro-business there.

Why in the world would we be in the mess we're in now and have the highest corporate tax rates in the world? I just can't understand that. What is your take on that? Why would we do that?

Mr. GOSAR. Well, I don't understand that madness, but it's something you have to learn in business. But you have to have the ability to reinvest in America.

If I have got money sitting there, make it worth my while to invest back in America. That's what we can do, and that's where the incentives come in. It also helps us in giving us access to cash, which has been ladened with the banks and strapped with the new regulations that come about.

Plus, we also have to look at the certainty of the environment that we create for business to grow. We're not going to take the load on our backs if we know that there's an uncertainty in the environment, whether it be health care, whether it be taxes, whether it be all of the regulations.

All these things add up. And if you don't get people hired, they are a drain on the system. And America wants to get back to work.

Mr. AKIN. I think you are right. I think in a way the cuts that we are going to be talking about this week, while they are not going to fix the overall problem of the fact that entitlements are out of control, I think that there are some things that they will do. And I think that what they will do is to maybe deal with some of that redtape. Because if you cut some of these agencies that are producing all that load of bureaucracy and redtape and all kinds of extra overhead, as you start to reduce that, it is like taking weight off of a runner; they are going to run faster. The economy will run better. And some of those cuts are probably Draconian in many people's eyes, and probably some of them are counterproductive. But, overall, you know you have got to trim up.

So that is what we're going to be talking about doing. We are going to be kind of working it from both ways. We are going to have to cut the Federal spending, but we're also going to have to create an overall policy in terms of policies, that is redtape, and limit the amount of redtape, and the tax cuts to basically create a pro-business environment. When you do that, the revenue is going to grow, the size of the government is going to shrink, and you will start to see the shift come back to normal and America will start moving forward again.

Mr. GOSAR. Well, it's like a parent. What we have to do is also work with our children, which you can make the analogy of Federal Government versus State government, empowering and giving them the environment for them to succeed.

As a business owner, what we always want to try to do is make sure that we put an employee in the best environment with the right tools and the right education, and then they can succeed. When they succeed, they make me a better business owner and much better at what I do. And that's the same thing that we have done here.

We have had unfunded mandates from education to health care, all the way across. What we have to do is start working with the States in their individual expertise and what makes them special, and allow them the flexibility to succeed as well. But we have got to put them in that right environment. And that goes all the way down from the States to the communities. This is a group effort, and this is a family affair.

Mr. AKIN. Well, that's a great way to end things up tonight. Thanks so much for joining us. I know the people of Arizona are tickled to see that their new Congressman is already earning his keep down here. And goodnight to you, and goodnight to my many colleagues and the people across America.

We're looking forward to a brighter day, but we have some tough decisions to make, and we're getting ready to make those even this week. God bless you all.

AMERICAN PUBLIC BROADCASTING

The SPEAKER pro tempore. Under the Speaker's announced policy of January 5, 2011, the gentleman from Oregon (Mr. BLUMENAUER) is recognized for 30 minutes.

Mr. BLUMENAUER. Mr. Speaker, this is going to be one of the most pivotal weeks in the history of American public broadcasting. As early as tomorrow, we will be voting on a continuing resolution that would call for the elimination of all Federal government support for public broadcasting.

Now, I will admit, this is very personal to me. If this reckless act were to be taken, it would mean that my local award-winning public broadcasting station, Oregon Public Broadcasting, would lose $2.4 million annually, funds that we use to invest serving Oregon and southwest Washington and a little bit of Idaho with programs that keep people informed, inspired, that help educate our youngest citizens. Actually, through the magic of Internet, people enjoy programming online across America because of the quality of Oregon Public Broadcasting.

Now, there's no question, as some of my colleagues were just discussing on the floor, that there is hard budget work ahead of us. I look forward to opportunities to eliminate unnecessary agricultural supports and rebalance those efforts. I look forward to dealing with helping rein in spiraling Medicare costs. Not eliminating health care reform, but accelerating opportunities to reform it and make it more efficient.

I look forward to looking at the largest area of expenditure dealing with the Defense Department and discretionary funding. Without question, there are a number of areas there, the American people know and understand, that can be adjusted.

However, we must do this in a way that is thoughtful and does not disproportionately impact our rural communities, our children, and universal access to high-quality TV and radio programming.

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Funding for public broadcasting gives our communities a voice by covering local news and events in a way that weekly papers cannot and commercial radio and TV stations do not provide. Today's media is rarely locally owned. Huge corporations send managers to deal with papers and radio programs. Public broadcasting is the only locally owned and managed media in America.

I am joined this evening by a couple of my colleagues, and I look forward to engaging in this conversation with them. I note I could start with my colleague from Kentucky, Congressman CHANDLER, a champion of public broadcasting, as well as a very fiscally conservative Member of Congress. Welcome this evening. I look forward to your thoughts and observations.

Mr. CHANDLER. Well, it is good to be here with you tonight. It is a tremendous opportunity to talk about something that is also very important to me. But I want to just start out by saying to my colleague from Oregon, Mr. BLUMENAUER, how appreciative I am and I think how appreciative so many people are across this country of your championing of public broadcasting over the years. You have been an incredible champion of that effort, and I just think it is marvelous because of what public broadcasting means to all of us.

As you mentioned earlier, we heard some of our Republican colleagues talking earlier about some of the budget efforts that were going to be made, and I must say we do need to have that discussion here in Washington. There is no question about it. It is a discussion that our President is now engaging in and the Congress is going to be engaging in in the next little bit about what programs we can cut, and there is no question that there are some that need to be cut.

We certainly need to get our fiscal house in order in this country. But zeroing out funding for one of the most successful public-private partnerships responsible for 21,000 good American jobs isn't the thing to do. In these tough economic times, more than ever, we need to support American jobs and invest in our people, and cutting funding for public broadcasting does neither.

Until now, public broadcasting has enjoyed strong bipartisan support. In fact, in my home State of Kentucky— and, by the way, I heard the gentleman from Oregon talk very much about the success that his public broadcasting system has had. I must say, ours in Kentucky has done rather well also, and it is something we are very, very proud of.

But in my home State of Kentucky, a Republican Governor actually provided Kentucky Educational Television, or KET, with its first operating budget in 1968, helping KET hit the airwaves, and it is now being very ably run by the daughter of one of my Republican predecessors in this office, Shae Hopkins. This station has touched countless people throughout the years, and today it is used by more than 1 million Kentuckians each week, in a State of only around 4 million. So that is a pretty significant number. You can see how important it is to our State.

But completely cutting all Corporation for Public Broadcasting funding will make KET cut at least 31 full-time jobs and 20 part-time jobs. These cuts would be on top of the 24 percent workforce reduction that KET has already endured in the past 3 years. KET has said that this loss of staff could hinder their ability dramatically to serve our Commonwealth.

And our public radio, just like public radio all across the country, will certainly be affected. How many people across our great Nation wake up to NPR and ''Morning Edition'' and drive home to ''All Things Considered''? It is a very, very important part of life, I know.

In my home State, we have stations like WEKU in Richmond, Kentucky, and WUKY in Lexington that touch all parts of Kentucky, including very rural parts of our Commonwealth. WEKU radio out of Richmond has been serving Kentucky since the 1930s, and they have already gone down 30 percent recently. And this, of course, again would force more layoffs.

Public broadcasting is uniquely American and should stay that way for future generations. My three children grew up watching Sesame Street just like I did when I was a kid, and countless others receive basic skills and workplace education, and some even receive help with college credit courses through KET. WEKU and WUKY provide local programming and local news that can't be found elsewhere.

So, please, please join me today in support of public broadcasting. These stations are too important, and we just simply cannot let them go away.

Mr. BLUMENAUER. Thank you. I appreciate your eloquence, Congressman CHANDLER, your long-standing support for public broadcasting, helping us have a constructive dialogue here in Congress to make it better.

Mr. CHANDLER. Well, another thing that it does, of course, if I may, it increases the civility of our discourse. In a time when so many stations are sensationalizing the news, there is one place that we can be sure that we can get a civil dialogue and both sides of the story, and that is public broadcasting.

So thank you so much for all you do.

Mr. BLUMENAUER. Before I turn to my good friend from California, Congressman FARR, I just want to follow up on one point that you made, because this is vital infrastructure that connects Americans, particularly in rural and small town America, people who otherwise would not have access.

There is always going to be public broadcasting in New York, Washington, D.C., or San Francisco. But it is rural and small town America that is going to pay the price if we lose the support for this infrastructure. Again, being very parochial, but it is not uncommon for what happens in the Midwest, in Kansas, in Texas. In rural Oregon, it costs 11 times as much to extend the signal to remote Burns, Oregon, in eastern Oregon, than to deal in the metropolitan area. So these 1,300