

Mr. GRAYSON changed his vote from “nay” to “yea.”

So the motion to recede and concur in the Senate amendment to H.R. 240 was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

Stated for:

Mr. GARAMENDI. Mr. Speaker, on rollcall No. 109 I am a “yes” vote. I could not return from a White House meeting in time to meet the rollcall.

#### PERSONAL EXPLANATION

Mr. ROE of Tennessee. Mr. Speaker, I was unable to vote because of a serious illness in my family. Had I been present, I would have voted: rollcall No. 108—“aye,” rollcall No. 109—“nay.”

#### THE JOURNAL

The SPEAKER pro tempore. The unfinished business is the question on agreeing to the Speaker's approval of the Journal, which the Chair will put de novo.

The question is on the Speaker's approval of the Journal.

Pursuant to clause 1, rule I, the Journal stands approved.

#### BUDGET OF THE UNITED STATES FEDERAL GOVERNMENT

The SPEAKER pro tempore (Mr. COSTELLO of Pennsylvania). Under the Speaker's announced policy of January 6, 2015, the gentleman from Indiana (Mr. ROKITA) is recognized for 60 minutes as the designee of the majority leader.

Mr. ROKITA. Mr. Speaker, it is my honor on behalf of a lot of colleagues who can't be here right now and on behalf of our colleagues who are going to speak to talk about the budget of the United States Federal Government.

Mr. Speaker, I rise this afternoon after our legislative business for the day because it is the concern of many of us—and perhaps it is the concern of all of us who ran for office, who got elected, who honorably serve in this body—to say—to make sure, perhaps—that our priorities are in order.

And, Mr. Speaker, if you simply look at any number of “debt clocks” that run on all kinds of different Web sites, including one that continues live in my office, you see perhaps—I hope it is clear to you, Mr. Speaker—that our priorities are not in order. We are over \$18 trillion in debt as I take the microphone right now.

Mr. Speaker, that is not the half of it. Over the next several decades we are scheduled to have over \$100 trillion in debt. And that is not acceptable. In fact, I can't think of too many things that are more immoral than the present-day majority, than our present-day citizens leaving this burden to future citizens, people who do not yet exist. Talk about taxation without representation. But that is

what we are faced with. That is what we do every day around here when our budget is not in balance and our priorities remain out of order.

To be clear, Mr. Speaker, we are able to get to this point, as very few other countries are, because of the fact we are the world's reserve currency, because of the fact that we continue to be able to print money, and because of the fact that, despite all our problems, when compared in a relative fashion to all the other countries of the world, we simply aren't as bad yet. But over time, that can very easily change, Mr. Speaker.

The solution to this isn't all that complicated. We have to stop spending more than we take in. We have to keep growing our economy. We have to simplify our Tax Code so that it can actually generate more revenue than it is doing right now. Of course, we have to reform what is driving the debt, and that is our spending. That is what the Republicans—in this Chamber, at least—are trying to achieve. We are trying to put our priorities back in balance.

Washington doesn't have a revenue problem, Mr. Speaker; Washington has a spending problem. In terms of revenue, we take in over \$2 trillion a year—and these are rough figures—but we spend generally over \$3 trillion. That is simply not sustainable. That simply can't go on if we are to have any credibility on this issue and if we are going to remain a strong country, best of nations in the 21st century, and continue to win.

So the House Budget Committee, and specifically the Republicans on the House Budget Committee, are about getting our priorities in order. And frankly, to our credit, for the last 4 years, Mr. Speaker, we have done just that.

Every year since 2010, we have proposed balanced budgets that, if followed, would have led us on a path to prosperity, would have made it clear that we are best of class in the world again and the best investment going. All we had to do is take the steps outlined in that budget and it would have become so.

This year, we are going to try again. We are going to balance this budget. We are going to have a markup in a week or so. We are going to propose and present ideas to the American public. Most of these ideas they have seen before over the last 4 years. There may be some new ones. We are still writing our budget. We are still taking input from Members and non-Members alike.

But one thing the American people can count on: it will be an honest budget, it will be credible, it will balance, and it will fulfill the promise we explicitly and implicitly made over and again to future generations that their generation will be better off than the generation before it. Isn't that what we are all about? Isn't that what we are supposed to be about?

But as I speak with you here today, the facts tell a different story. In fact,

the current generation is the first one in American history that is destined and will, by any objective measure, leave the next one worse off. It has never happened before in American history. It is happening now.

I know several of us on the Budget Committee refuse to let that happen on our watch, and so we come to you tonight with several ideas.

I want to first recognize a very good friend of mine, a professional who came from the private sector and practiced accounting as a certified public accountant for over 25 years. He has added tremendous value to all the work we are doing on the Budget Committee. Aside from budget issues, he is a tremendous asset to nearly every issue that is debated on the floor of the House. I yield the floor, Mr. Speaker, to my good friend, Congressman RICE of South Carolina.

Mr. RICE of South Carolina. I thank the gentleman for yielding. South Carolina thanks you.

What an honor it is to stand here before this group to talk about the Federal budget. These were a couple of slides that were actually handed out to the Budget Committee that illustrate very wonderfully the challenge that we face.

The total revenue for the Federal Government for fiscal year 2014 is \$3.02 trillion, most of it from individual income taxes. And then social insurance is the payroll taxes we pay for Social Security and Medicare, and then we have the spending. You can compare the two.

Revenues are \$3.02 trillion. Spending is \$3.5 trillion. Our deficit is half a trillion dollars, roughly, projected this year. That sounds terrible. Of course, 3 years ago, just before I was elected to Congress, it was a \$1.4 trillion deficit. So it has, in fact, been cut well down. It is about 40 percent of what it was. And I will take all the credit for that.

Actually, it has come down dramatically. But we are still on an unsustainable path, and it is projected to rise, largely because of demographics. The baby boomers are retiring, and the need for social insurance is going to rise in the coming decades. It will overwhelm us if we do not prepare for it.

Republicans, Democrats, the Congressional Budget Office, the Office of Management and Budget, and any known economist will tell you that if we don't deal with this issue, it will overwhelm us. We are on an unsustainable path. We are piling billions and billions of dollars in debt on our children and our grandchildren every year.

Right now, we stand at \$18 trillion in debt. On our current path, I believe the number \$25 trillion is what they are projecting at the end of 10 years if we don't do something to deal with it.

If you look at the spending, you can see the red areas are what they call entitlement spending or mandatory spending, Social Security being the

biggest part of that, and Medicare, Medicaid. Then interest on the debt is here at \$229 billion a year. And then other mandatory, which would be unemployment, welfare; the ObamaCare insurance subsidies will be in that. You can see that red area is about two-thirds of our total spending of \$3.5 trillion.

□ 1530

The blue area is what they call discretionary spending. Discretionary spending is the only part that Congress has a play or a say in every year. If you break that down further, the discretionary spending, defense is this part here in dark blue that is about half of it, and nondefense discretionary is the remainder.

Nondefense discretionary is the thing most people think of as government; the FBI, the CIA, the White House, the Department of the Interior, Park Service, EPA, Army Corps of Engineers, all these things are in nondefense discretionary. People think: Well, gosh, we should cut the Department of Education, we should cut the EPA.

Well, that is great. If you cut every dime of nondefense discretionary spending out of the budget, every cent of it, we would still have a deficit. If you eliminated every part other than defense, we would still have a deficit, so you see how severe the problem is.

Another thing people don't understand is, because of the sequester, defense and nondefense discretionary have been whittled down over the last several years; and, in fact, nondefense discretionary spending is below 2008 levels right now.

It is as low as it has been since President Barack Obama has been in office because of the sequester spending. Defense spending has been cut to the bone. It is below levels that the Pentagon is telling us are necessary to maintain our readiness in this troubled world.

Now, there is always waste, and there is always further room to cut. The point of all that is, with these things having been whittled as low as they have, it is very obvious that we will not be able to handle our budget problems.

We will never be able to reach a balanced budget unless we deal with this area in red, what is called mandatory spending, the entitlement programs. There is no way to fix this problem without dealing with those.

Now, you say: Well, why don't we just raise taxes? Right now, we are taking in, I believe it is, about 17 percent of our gross domestic product in tax revenues. It is more money in real dollars than this government has ever received.

We are getting more revenue than we ever have, and it is a higher percentage of our gross domestic product than has been received on average over the last 40 years. We are already at a higher level of revenue. Revenue is not the problem. The problem is that spending is out of control.

For the last 3 years, the House Committee on the Budget has issued its own budget. It has been called the Ryan budget. It has been called the House Committee on the Budget budget. It has been called the Path to Prosperity. That budget takes reasonable steps to balance the budget over a 10-year period.

Now, the President issued his own budget this year. The way this is supposed to work is the President is supposed to issue his budget by the end of January. This is the first time since he has been in office that he has actually done that. We actually got it on time.

The House is supposed to issue its budget, I think it is, about March 15th. It goes over to the Senate; they do their version. The House and the Senate conference, and then we send it to the President.

For the first time since the President has been in office, we are on track to actually have a budget. It is an amazing fact to me that, since President Barack Obama has been in office, we have not had a budget.

You can't run your household without a budget, you can't run a bakery without a budget, and here we are, trying to run the most complex institution on Earth without a budget. It is not just a lack of long-term planning; it is a lack of even planning for the current year. You have to have a budget.

Anyway, we are on track to have a budget. The House Committee on the Budget has put one out for the last 3 years. The President has issued his budget now. The House Committee on the Budget's budget over the last 3 years would have balanced in 10 years.

I anticipate we will do the same thing this year. We will put forth a budget that has reasonable adjustments and balances in 10 years and stops piling mounds of debt on our children and our grandchildren.

The President's budget, on the other hand, increases spending from \$3.5 trillion a year to a little over \$4 trillion a year. It adds \$2 trillion in taxes over the next 10 years, and it never balances, ever. It continues to pile debt on our children and grandchildren. The House Committee on the Budget's budget doesn't raise taxes, and it does balance in 10 years.

This is the projection by the Congressional Budget Office—nonpartisan, not Democrat, not Republican—of the path that we are currently on. The cutoff of the blue area there is where we are today.

You can see with the demographics and with the burden that we are going to be placing on our social safety net and our entitlement programs—Social Security and Medicare—right now, where we are, if you look back in history—this goes back to 1941—never in the history of the United States has the debt as a percentage of our gross domestic product been as high as it is right now.

The debt is about 70 percent of our gross domestic product, the debt held

by the public. The only other time that it was this high was in World War II.

We can adopt changes. We have time. We can adopt some modifications to bring this back under control; but, if we do not, you can see the mushrooming effect of the additional debt, interest rates climbing, the interest that we pay on our debt rising, the effect of the entitlement programs, running our debt to over 100 percent of our gross domestic product, which will make it difficult for us to recover from.

Mr. ROKITA. Will the gentleman yield?

Mr. RICE of South Carolina. Yes, sir.

Mr. ROKITA. I thank the gentleman, and I thank the gentleman for showing not only Members of Congress, but the American people, this chart that you have right there. I think you are hitting the nail on the head. This is exactly the problem.

If I could just add a few things to it?

Mr. RICE of South Carolina. I wish you would.

Mr. ROKITA. Well, if you go back to World War II, the gentleman rightly points out, Mr. Speaker, you see that our debt level crescendoed, obviously as a result of that war.

What is different about that period in our history from our current situation is the fact that, as the gentleman knows, World War II, one way or the other, was going to be a one-time event.

Thankfully, because of this country's courage and the men and women who served for our country, it ended the right way. As a result, the event ended, and we immediately began paying down our debt.

Some might say: Well, we have been there before. What is different this time? Why can't we solve the problem this time?

Well, we can solve the problem because, number one, we are Americans, but what makes the situation different, Mr. Speaker, and what the gentleman alludes to is what is driving our debt.

What drove the debt in World War II, again, was a one-time event. What is driving the debt now is not scheduled to end, has no end really in sight, unless we reform the programs that are driving it. That is one of the things that is strikingly different in terms of the current path we are on from where we have been before, and that is why we have to arrest what is driving the debt, and that is our social entitlement programs.

There is also another difference between now and World War II, and it is exemplified in this chart that I have, and that is who owns our debt. Of course, back in World War II, the gentleman will remember the bond posters that you could see all over the country, where we asked our private citizens to finance the war.

Now, as you can see from this chart, the people we are asking to finance our debt not only are our own citizens but—increasingly and alarmingly more

so—other countries, who by the very definition of being other nations don't have our best interests top of mind.

That makes this a very different situation as well. We are increasingly, over time, becoming beholden to other countries to finance our spending problem.

Mr. Speaker, I would like to continue yielding to the gentleman from South Carolina.

Mr. RICE of South Carolina. I thank the gentleman for his remarks.

Mr. ROKITA, were you aware that by the year 2030, according to CBO's projections, that our spending just on Social Security, Medicare, Medicaid, and our interest, just those four things will take up the entire revenue of the United States Government, leaving nothing for other mandatory programs, like welfare, like unemployment, like food stamps, like all those things?

It will also leave nothing for other discretionary spending like the FBI, like the Park Service, like border security, and like the CIA; but even more importantly, it will leave nothing for defense, nothing for the Army, the Navy, the Coast Guard, nothing to buy the first bullet.

By 2030, just those four programs—Social Security, Medicare, Medicaid, and the interest on our debt—will take up every dime that the United States Government brings in if we don't change something.

Now, the President's budget adds \$2 trillion in taxes, but it adds even more than that in spending. What does he spend the money on? It is a lot of additional programs. He adds a little bit to defense, he adds a little bit across the board to other discretionary, but he throws in a lot of other programs—for example, his proposal to pay for community college, which is a nice idea, a wonderful idea—but the problem is that we can't pay for the promises we have made already.

Mr. Speaker, shouldn't we, before we make new promises, find a way to pay for the promises that we have already made?

The President's budget, in addition to more taxes, more spending, and more government programs, it is just another big growth of government, which we have seen over and over again during this administration. From Dodd-Frank to ObamaCare and other things, you have seen a huge explosion in government.

Now, what has the effect of that been? The President loves to say, Mr. Speaker, that he is for the middle class, but I want to show you an interesting graph.

This blue line here going down is the median household income in the United States. This is the middle class that the President is always saying he is for. You can see from 2008—when he took office—until today, that blue line has gone down 8.7 percent.

Median household income in the country has dropped 8.7 percent—more government programs, bigger govern-

ment, more intrusion on government in your life, more intrusion of government in our national economy—and you can see the stifling effect that it has on our economy.

I think we had 2 percent growth last quarter. Here we are, 7 years after the Great Recession. We should have had a huge snapback. All we are doing is muddling along, trying to swallow this giant addition of Big Government that is being created. Middle class income is down 8.7 percent.

Look at this, Mr. Speaker. This purple line here represents the consumer price index for medical care. Over that same time, it is up over 10 percent. This red line represents the consumer price index for gasoline, which is now turning down, but it is still above where the President took office.

This green line is the consumer price index for food and beverages because, you see, gasoline and heating oil and electricity all go into the cost of food. You have to fertilize it, you have to prepare the seed, you have to transport it. All those things go into the cost of food.

So, you see, food has gone up 20 percent, gasoline has gone up 10 percent, health care has gone up 15 percent—all these additional costs on the middle class.

□ 1545

At the same time, the median household income has dropped by 8.7 percent. When the President gets up and talks about how the stock market is doing and how the economy has recovered, I can tell you, Mr. Speaker, you can look at this chart and very easily see why the average middle class family doesn't feel it. They don't agree with it.

The President's proposed budget, by adding more taxes and more government programs, will do nothing but exacerbate this problem, the middle class squeeze. We are going to squeeze the middle class until there is nothing left. I cringe when the President says he is for the middle class. Don't listen to what he says; look at what he is doing.

Mr. Speaker, I believe in the House Budget Committee's budget that balances in 10 years, that makes responsible adjustments to our social safety net, that makes responsible adjustments to our discretionary programs, and that brings our budget into balance in 10 years.

When I came to Congress, I thought our debt was the biggest problem we faced. I no longer believe that. I know we can handle it. I have been through the budget committee. All we have to do is start now to make responsible adjustments. The longer we wait, the more difficult it becomes.

My tenure in Congress is and will continue to be focused on American competitiveness. I think we have given away a lot of our competitive edge to the rest of the world. I think, if we decide we want to compete, that nobody can stop us. The only people stopping us is us.

We have tied a noose of tax and regulation around our own neck, and we are running our businesses and our jobs overseas. That is my focus. We cannot fix this problem with our budget unless we have growth, and the way to increase growth is to increase our competitive status in the world.

This is a list of things created by a Harvard economist and a good friend named Michael Porter. He has been to Congress more than once. He has talked to over 100 Congressmen about how to make this country more competitive.

These are eight items. One of them is—in fact, the most important one is to create a sustainable Federal budget because you see, my friends, without a sustainable budget—now, you remember, the Office of Management and Budget that works for the White House says we are on an unsustainable course. Congressional Budget Office, we are on an unsustainable course.

Step number one to make this country competitive and to bring jobs back to this country: create a responsible Federal budget. I submit to you, Mr. Speaker, that the President's budget fails miserably in that regard. Just as his policies are failing the middle class miserably, this budget will make us less competitive in the world.

Second, it says simplify the corporate Tax Code. Simplify and streamline regulation. The House budget assumes many of these things that make this country more competitive in adopting its budget.

Mr. ROKITA. Will the gentleman yield?

Mr. RICE of South Carolina. I yield to the gentleman from Indiana.

Mr. ROKITA. I thank the gentleman again. The gentleman hits the nail right on the head. Middle class economics is a term, and it is just that.

Watch what the President does to see how he affects the middle class.

Mr. RICE of South Carolina. Not what he says.

Mr. ROKITA. Not what he says, exactly right.

I also want to draw your attention, Mr. Speaker, to what the gentleman said on his poster board there about the eighth point, create a sustainable Federal budget, and the gentleman talked very articulately about the need for that.

It seems obvious, quite frankly, I would think, to every American family that must do this inside the walls of their own dwellings, but for some reason, it escapes the Federal Government.

I draw the House's attention, the Speaker's attention, to the wording that appears after that comma. It says, "including entitlement reform"—"create a sustainable budget, including entitlement reform." We touched on this a little bit earlier in the hour that we have.

At this point, I am worried, Mr. Speaker, that some who are watching this discussion may think: Well, wait a

minute. Wait a minute. I put my hard-earned money into these programs, being Medicare and Social Security, primarily, every 2 weeks or whenever my paycheck comes, and I see the government taking out a lot, and that is my money. That is my property. What is Congress thinking? What are these two gentleman from South Carolina and Indiana and others who are going to speak here in a minute saying when they said entitlement reform? I put in; therefore, I should get out.

I want to take just a minute to address that because, of course, in a very real sense, that is what every working American has done. In another equally real and more important sense, we haven't. We haven't, and that is what is driving our debt.

Now, the gentleman had a pie graph up earlier that easily showed—and he will put it back up—the fact that most of our spending at the Federal Government level is on programs that are on autopilot. Right?

We, as Congressmen, can't vote on these priorities through the budget mechanism itself. We have to affect the underlying law. That is to say Congressman RICE and Congressman ROKITA don't get to determine, through the budget process, year after year, what someone's Social Security check is going to be, what Medicare services people are going to get or not get. That is not done necessarily through the budget.

We talked about the need to reform those programs in the budget document, but it is not done through the budget language only. You have to reform that underlying law. Two-thirds of our budget, again, as the chart shows, is on autopilot. It goes year after year after year and gets worse after worse, and that is what is driving our debt.

Now, to my point about have we paid for those programs or not, this is a chart that describes the average American working couple. This is a Medicare example, so this is not Social Security. This is Medicare.

It shows that a couple making a combined \$71,500 a year, on average, over a lifetime, has put in roughly about 30 percent of what they are taking out of Medicare.

Let me say that again. They are putting in 30 percent. We are putting in, the average American couple, putting in 30 percent of what we are going to take out of Medicare. The rest, Mr. Speaker, goes on the deck, and that is the crux of the problem.

If you go to the second set of bars, you see that the problem only gets worse, as a percentage of the amount we are putting in is only going to go down. That is what makes this a moral situation, a moral case that we are making the children of tomorrow pay, so that we can have more on our plate now, quite frankly.

It is just not Medicare. Social Security is in a much better position than this, but it is on the same trend. It is

not just our health care and our social entitlement programs. It is the high-way trust fund, for example, which I hope we address, not only in our budget document, but throughout this Congress. To date, the President hasn't done that. So that is really the problem here.

I yield briefly back to my good friend from South Carolina, Congressman RICE, and then move swiftly to Mr. WOMACK from the great State of Arkansas.

Mr. RICE of South Carolina. In closing, my friend, I just wanted to point out what the House Budget Committee does to bring the budget within balance within 10 years, and it is not all this but three major things.

One, it repeals ObamaCare, which costs \$2.1 trillion over the next 10 years.

Two, it initiates what is called premium support for Medicare, what you are just talking about, and it doesn't do away with Medicare, and it doesn't affect anybody who is either retired or retiring within 8 years.

What it does for people that are outside that window, Medicare is still offered, and they will allow four other insurance companies to bid for Medicare coverage.

The government won't pay for the cheapest; it will pay for the second cheapest. If you want to buy a cheaper policy, you can, but it brings private industry in it. If you want to buy a cheaper policy, you can, and you will get money.

If you want to buy a more expensive policy, you can, and you will have to pay a little bit more for it. That is a huge savings in Medicare and something that we have to do.

So premium support for Medicare, repeal ObamaCare, and, third, it doesn't cut discretionary spending, defense and nondefense, but it slows the growth a little. Those three things go 80 percent of the way to bringing our budget within balance within 10 years.

Let me tell you, my friends, we don't have a choice. We are piling debt on our children and grandchildren. CBO, OMB, they will all tell you, Social Security trust fund, it will be broke in 2030 or thereabouts. Medicare trust fund will be broke in 2030 or thereabouts.

You know the problem with Federal trust funds? They are not funded, and you can't trust them. Other than that, they are great.

Mr. ROKITA, I appreciate you allowing me to participate in this.

Mr. ROKITA. I thank the gentleman for his leadership.

The gentleman is exactly right. If we act now, no one who is on or near to be on any of these programs has to be affected. We can easily take care of the promises that were made and that these folks, again, who are on these programs or near to be on these programs have rightly relied on, and that is because we are still the world's reserve currency. We are not Greece.

If we make these reforms now, we are talking about the reforms affecting folks a generation ago, those in my age bracket or younger, who would have time to prepare for the new situation.

People who are having kids today, who will live probably past 100, they will have the time, under a new program that reflects the realities of living in the 21st century and, frankly, how long we live in the 21st century.

Mr. Speaker, I yield to the gentleman from Arkansas (Mr. WOMACK), a good friend of mine, the former mayor of Rogers, Arkansas, a decorated military officer who is also a great friend and a great leader in this Congress.

Mr. WOMACK. I thank the gentleman, first of all, for his great leadership on this subject.

The gentleman from the Hoosier State and I came in together. Back in 2010, we were elected to this Congress, and I can't speak necessarily for the gentleman, I can only speak for myself, but I would almost bet that my friend from Indiana would agree that we came up here to tackle the Nation's biggest problems.

Mr. Speaker, the Framers of our country were visionaries. They got it right on the formation of the country and the established government that guides our every decision. They not only had the foresight to establish constitutional principles and processes that addressed the challenges of the day, but that sustain and guide our Nation now 2¼ centuries later.

What you have just heard in the last few minutes, and I have been witness to the presentation made by my friend from South Carolina, with commentary from the gentleman from Indiana, I am going to present many of the same arguments in the time that I have before you today because I think they are worth repeating, and my chart may show it a little bit differently.

Mr. Speaker, I came to the Congress and was immediately placed on the Appropriations Committee. As a member of that committee, one of my jobs is to look after the discretionary piece of the Federal budget. As has already been mentioned, the discretionary piece of the Federal budget is getting squeezed.

There was a time in the not too distant past that discretionary spending was the largest share of spending and, as was mentioned by my friend from South Carolina, things that you recognize your Federal Government for. He articulated a number of those.

When you look at this particular chart, this end of the chart would represent 1962. The other end of the chart is just about 3 years from now, in 2018, you can see—in case you have trouble seeing, let me just go through the color coding here.

The purple at the top is the amount of money that we have to pay, year in and year out, to service our debt. Those of you at home, Mr. Speaker, that have a credit card bill that comes

in every month, there will be a category there or a block there that says minimum payment due.

The minimum payment is usually the reflection of interest due on that account and not necessarily a reduction in the principle amount owed. That is exactly what this purple is. That is the minimum payment due, year and in and year out, that we have to make in order to satisfy the creditors, the people that have given money to this country, loaned money to this country for governmental purposes.

□ 1600

As you can see, Mr. Speaker, this chart shows that that area in purple has grown through the years. It tightened up a little bit back a few years ago. But now, if you look at that last piece of it, from right here, you will notice that it is taking a dip. And if we extended that chart out for many more years, it gets progressively worse.

The next color is red, and that is the reflection of mandatory spending, talked about by the gentleman before me, that constitutes how much money we have to spend year in and year out to pay for the programs that people all across this country are entitled to. The biggest driver of the long-term consequences of mandatory spending would be Medicare. There are many charts that will show you the glide path Medicare is on.

Mr. Speaker, something happened last night at midnight that affects the ongoing cost of that piece of mandatory spending. That is, 11,000 people celebrated a birthday as we rolled into the new day; 11,000 people aged into that program. Now, Mr. Speaker, tonight at midnight, something else is going to happen that is going to influence the growth of that area in red; and that is, another 11,000 people, or thereabouts, are going to age into this program that they automatically qualify for when they turn 65. Thankfully, more and more people are living well beyond 65, and I am glad for that.

If you look at that red, coupled with the purple, you can see that since 1962, it has commanded a much larger share of Federal spending, and it is putting a tremendous squeeze on the programs that people like me, as an appropriator, have to work with to fund the other essential forms of government.

In fact, I have a lot of people say to me when I go home: You know, Mr. WOMACK, you are an appropriator. You are in charge of all this spending. You ought to be able, with your vote and with your leadership on that committee, you ought to be able to see that the books of the Federal Government are balanced.

But, Mr. Speaker, if you look at the last two colors—the green, which is nondefense spending, and the blue, which represents defense discretionary spending—these two colors have gotten smaller and smaller and smaller, so small now that they represent about a third of our spending. And you do the math.

Mr. SANFORD. Will the gentleman yield?

Mr. WOMACK. I would be happy to yield to the gentleman from South Carolina.

Mr. SANFORD. I thank the gentleman from Arkansas for raising what I think is such a fundamental point with regard to government spending. It really raises the crossroads I think that we are at as a society. Because in my mind, I keep going out to about 2025, which you well illustrate on that chart. And at that point, we are only going to have enough money for interest and entitlements and nothing else, without either raising taxes substantially, cutting benefits substantially, or running very large deficits going forward. And ultimately, there comes a point of no return, as you correctly point out with your charts, wherein the world financial markets won't lend you anymore.

So I think you are on to a remarkably important theme, and I think it underscores the degree to which we are going to have an important debate in this Chamber in really the next month because what the President has essentially said is that I am not going to deal with this.

If you look fundamentally at the White House budget, at the core, it abandons this notion of financial discipline. I mean, it adds \$2.2 trillion of new taxes. It adds \$8.5 trillion of new debt. It goes from running structural \$500 billion deficits to \$1.1 trillion deficits, with no end in sight to the deficits that continue to grow.

So this theme that you are getting on with regard to the mandatory component and the interest component of government spending I don't think can be underscored enough. And I don't want to interrupt you, but it just hit me as you were talking.

Mr. WOMACK. Well, I am glad the gentleman did interrupt.

And to carry our colloquy just a little bit further, the gentleman from South Carolina is a former Governor of South Carolina, so he has had some experience dealing with balanced budgets and having to live within your means, as a former chief executive of a State, one of the 50 States in our country. So you have a great appreciation for how important it is to be able to craft budgets that live within your means and address the major drivers of what could be deficit spending at the State level.

Mr. SANFORD. Will the gentleman yield?

Mr. WOMACK. I would be happy to.

Mr. SANFORD. Just on that point, though, it is so interesting that ultimately it is not just about balancing budgets, because I think that a lot of people from across this country look at the carrying on and the going on of Congress, and they say, You know, it is about green eye shades, and it is about trying to balance some numbers. No. It is about sustaining this Republic.

Admiral Mike Mullen, when asked, What is the biggest threat to the

American society? he didn't answer "China," he didn't answer "Russia." His answer was: The biggest threat to the American way of life is the national debt.

If you were to look at a whole host of different folks across recent history—I mean, Paul Kennedy wrote I think an excellent book entitled "The Rise and Fall of the Great Powers," and its premise was that economic supremacy was the precursor to military supremacy, for a civilization to be able to continue to project force.

I think it is so interesting that the Prime Minister of Israel was here earlier today. We heard Prime Minister Netanyahu lay out his concerns with regards to some things happening in the Middle East. But America's variability, whether it is in engaging with an ally like Israel or whether it is engaging in a whole host of other conflicts that are innumerable and guaranteed across the next 25 years or so, our ability to impact those things will be driven, frankly, by these economic numbers.

I think it has been maligned, but Reinhart and Rogoff, a professor from the University of Maryland and a professor from Harvard, wrote a book entitled, "This Time Is Different." They chronicled 800 years of financial history, and there have been some questions about how they got to some of their numbers. But the larger premise was in that title, "This Time is Different."

What you are pointing out is that, no, it is never different; math always works. And there is something fundamental about our civilization's need for not just a balanced budget for balanced budget's sake but to be able to sustain our ability to project power and maintain a way of life that we love, I think, that is underlined in these very charts that you are showing.

Mr. WOMACK. I thank the gentleman.

Reclaiming my time, I just want to say, before I go to my next chart, that this isn't an option for us, to allow this to continue on this path without the interaction of this Congress and solutions offered by this Congress, many of which are going to be big deals because when you get this far along into a problem, the solutions to the problem get much larger. They are going to require a lot more political courage. But we have to address it because if we don't, in just a few years beyond the 2018 timeframe that this chart shows, there will be no money left for the items that you see in green and blue.

And let me hasten to remind you that the items in blue are national defense.

Mr. SANFORD. Will the gentleman yield?

Mr. WOMACK. I yield to the gentleman from South Carolina.

Mr. SANFORD. On that point, I love keeping strange jotted notes in my office.

Again, the number that you are getting at—because you are now touching

on national defense—you know, Habsburg defaulted on all or part of its debt 14 times between 1557 and 1696. Pre-revolutionary France saw 62 percent of its royal revenue going to interest payments alone. Britain, between World War I and World War II, saw interest payments climb to 44 percent of the British budget. In the Ottoman Empire, interest payments and amortization rose from 15 percent of its budget in 1860 to 50 percent in 1875.

In other words, this music has been played before with disastrous consequences, and that is why I think it is relevant.

Keynes actually quoted Lenin, of all folks, and Lenin's quote was this: "There is no subtler, no surer means of overturning the existing basis of society than to debauch the currency. The process engages all the hidden forces of economic law on the side of destruction and does it in a manner which not one man in a million is able to diagnose."

What you are laying out with the chart which you so appropriately lay before the Congress is the very formula that Lenin, himself, was talking about in things that will challenge not only defense but the way in which a government sustains itself.

Mr. WOMACK. I appreciate the gentleman's perspective.

Finally, Mr. Speaker, I want to show you this one.

I was fortunate to get elected in 2010 by a significant majority of the people in the Third District of Arkansas. I consider that area of our State to be the most dynamic in all of our State. It has got a lot going for it. It has got great jobs, great health care, wonderful educational institutions, effective governments, the University of Arkansas Razorbacks. I mean, there are a lot of great things you can say about the area that I represent. And it is different than a lot of places around our country, I will submit to that.

While I made a promise to the people that elected me, the biggest promise that I made, the one that I hold closest to my heart and the promise that drives all of the decisions that I make, particularly to my friends that have joined me here in the Chamber today regarding budgets, deficits, debt, long-term spending, and those kinds of things, are the promises I made to these two young men right here. This is Liam. He is 8. And that is Kaden. Kaden is not even 2 yet. They are cousins. These are my grandkids.

When I look into the eyes of these two precious little boys, I see the innocence of youth, but I also see something that they can't see. I see a tremendous burden that is growing every day, every week, every year that these two kids have had nothing to do in creating, and that is a mountain of debt and interest payments for borrowed money that go as far as the eye can see.

Mr. SANFORD. Will the gentleman yield on that point?

Mr. WOMACK. I will.

Mr. SANFORD. Again, I think you are capturing, in essence, the totality of this debate because there is a guy up at the University of Boston called Laurence Kotlikoff, and he wrote a book called "The Coming Generational Storm." Its premise is really built around your two grandkids because he says that the imputed tax for a child born into America today is about 84 percent, 84 percent.

I mean, our civilization won't work. A market-based economy doesn't work with an 84 percent tax rate. Yet that is what he said is coming those two young children's way in the event that nothing is done to change the course and the trajectory of the way that Washington is spending money. He says that the total debt really amounts to around \$200 trillion. So it hit me, as I was looking into your two grandchildren's eyes there in the photograph.

Mr. WOMACK. I want to give you some perspective before I close, Mr. Speaker.

The only budget that we have laying out there right now is the President's budget. It arrived on time. It never balances—never—and continues to add a lot of taxes and a lot of debt and a lot of interest burdens on the generations of these two kids right here.

But here is what is inescapable: the net interest on the debt that we will pay this year—and I might need some help on this, Mr. ROKITA—I think it is around \$250 billion?

Mr. ROKITA. Yes.

Mr. WOMACK. Around \$250 billion. It is a lot of money. We could build a lot of roads and bridges, educate a lot of people, pay for a lot of things with that \$250 billion, give or take.

The President's budget, if you rolled it out for 10 years, in the 10-year window before this young man can vote and before this young man turns 12, the net interest on the debt will rise to \$785 billion a year. That is not a sustainable path, and that is why I was pleased to accept the appointment to the Budget Committee as one of the three appropriators assigned to this committee. That is why I enjoy the work that I do. That is why I appreciate so much my friend from Indiana, my friend from Georgia, my friend from South Carolina, and the others that will parade down here and talk about these issues. They are the most serious things that affect domestic America today.

And out of deference to these two young men and to their parents—Will and Amanda, and Kayle and Philip—it is my hope and my prayer that we will find the courage to support the solutions, as large as they may be, to save America's next greatest generation.

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Mr. ROKITA. Well, I thank the gentleman from Arkansas. Clearly, Mr. Speaker, you see why he was elected mayor of Rogers, Arkansas. You see why he has been a leader in our U.S. military, and you see how and why he leads on the floor of this House.

I want to, again, thank Congressman TOM RICE from South Carolina for speaking today, and Congressman MARK SANFORD, former Governor of South Carolina, now Congressman of the First District, for speaking today. Again, I thank Congressman STEVE WOMACK.

With the time we have remaining, I yield to a good friend of mine who came in at the same time as STEVE WOMACK and I in a wave of 87 new Congresspersons, the new crew, as I call it, my good friend, ROB WOODALL, also a member of the Budget Committee, to put some icing over what we have learned over the past hour.

Mr. WOODALL. I thank my friend from Indiana for yielding, and I appreciate his leadership. Mr. Speaker, I don't know if you have thought about it—you have not been in this institution very long. You came here with a lot of hopes and dreams. The gentleman from Indiana, the vice chairman of the Budget Committee, has been here 4 years. He has been here 4 years. What I have loved about this institution the 4 years I have served here is that what was once a seniority-based institution, what was once if you could just hold on to your little piece of power long enough, you might one day rise to a place where you can be influential.

When we came in that big class of 2010 and a new leadership structure was swept in here, folks said: No more. They said: We want to find folks who have talents and skills and who have the ability to lead, and we are going to put them in places where they can do that. I am so proud the gentleman from Indiana is able to fill that role for me. I sit on the Budget Committee, too, and I get to take advantage of his leadership.

Mr. Speaker, the gentleman from Arkansas was down here earlier, and I don't think I am telling secrets out of school—I am sure the vice chairman will correct me if I am—but he raised his hands in one of these closed-door meetings and he said: I want to do the big things. I want to do the big things. I don't want to nibble around the edges. I don't want to just rearrange the dollars here and there. He said: I want to solve the problem once and for all, and I will do whatever it takes to make that happen.

I know that has always been the philosophy that the gentleman from South Carolina has brought to bear, that I want to do the big things. Let the political chips fall where they may. It is a funny thing. It turns out, Mr. Speaker, that if you do the right things for the right reasons, sometimes elections take care of themselves. You can spend all your time worrying about elections or you can worry about doing the right thing for the right reason.

Mr. Speaker, I brought this chart here so you can see it, too. The blue line charts the revenue in this country. The red line charts the spending in this country. It is there as a percentage of



GDP. There is no set of circumstances where revenue will ever match spending, Mr. Speaker. The President didn't provide that leadership; my friend from Indiana is. That is why I am so proud to be on the floor with you today.

Mr. ROKITA. Mr. Speaker, I yield back the balance of my time.

#### THE BLUE DOG COALITION

The SPEAKER pro tempore (Mr. CURBELO of Florida). Under the Speaker's announced policy of January 6, 2015, the gentleman from California (Mr. COSTA) is recognized for 60 minutes as the designee of the minority leader.

Mr. COSTA. Mr. Speaker, my name is Congressman JIM COSTA from Fresno, California. Since I was first elected over 10 years ago, I have been a member of the Blue Dog caucus. This afternoon, members of the Blue Dog caucus that stretch the width and the breadth of this great country of ours are going to speak about what brings us together, about the passions that they have and the people that they advocate for and why they believe that their efforts at being a constructive and a very positive member of the Blue Dog caucus adds value to their ability to represent their constituencies and to the vision that I think we, as Americans, all share together, which is to make our Congress, to make our representative democracy, a more functioning system. Because clearly today, the American public, in poll after poll after poll, demonstrate their frustration with the inability of the United States Congress to come together and to work on common solutions for our country, solutions that share our common values but also involve the art, the art of the political compromise, too often I believe an art that has become lost here in our Nation's Capital in Washington, D.C.

So among the first of the members of our caucus that will speak is the gentlewoman from Arizona's Ninth District, KYRSTEN SINEMA, a colleague of mine who always is advocating for her constituency in the most positive ways.

Ms. SINEMA. Thank you, Mr. COSTA, and thank you today for organizing this Special Order.

Mr. Speaker, this is an important opportunity for us to come together and show how bipartisanship can fix our broken system.

At home in Arizona, I hear from everyone that Washington is broken. There is too much time spent playing political games and too little time spent working together to get things done. Most people are sick and tired of Congress' failing to do its job because of partisan politics. That is why I joined the Blue Dog Coalition, because they prioritize the people they represent more than their party leadership.

Everybody knows that Congress is not working effectively, and the Blue

Dogs are trying to change that. They are focused on ending political polarization, reforming Congress, stopping reckless government spending, and creating economic opportunity for Americans who have been left behind by this recession.

Mr. Speaker, I come to work every single day to get things done for Arizona. I have a proven record of reaching out to members of both political parties to find common ground on issues ranging from jobs and the economy to reducing spending and government waste. As a cofounder of the United Solutions Caucus and a No Labels Problem Solver, I have worked with members of both parties to get things done. At home, Congressman MATT SALMON and I work together to help Arizona veterans get the care they deserve, and I have worked with Congressman MICHAEL MCCAUL to introduce legislation that puts an end to automatic pay raises for Members of Congress.

Neither party is always right. In fact, both parties are often wrong. It is time for us to listen to each other and work together to grow our economy, help our country's families, and honor our veterans. Recently, we came together to pass bipartisan legislation to prevent veteran suicide and improve access to mental health care and health services for veterans. Just this week, we agreed on legislation to expand college savings plans and make higher education a reality for students and their families. We need more of these kinds of accomplishments in Congress.

In Arizona, the voters established an independent redistricting commission that allows for an open and transparent process and creates competitive districts where neither party has a monopoly. We Blue Dogs have proposed similar reforms to create impartial, fairly drawn districts across the country to cut back on the polarization that cripples our system.

Mr. Speaker, the American people deserve leaders who do whatever it takes to come up with practical, common-sense solutions that help us move forward. It is time for us to focus on areas of common ground and come up with real answers to our country's most pressing problems. So let's put aside the finger pointing and the fighting. Let's roll up our sleeves and get back to work.

Mr. COSTA. I thank the gentlewoman from Arizona.

Mr. Speaker, our next Blue Dog colleague who will speak is a gentleman whom I have served with both in the California State Legislature as well as here in Congress. He and I are good friends. We both represent wonderful parts of California, and he is one of the longer serving members in the Blue Dog caucus, the gentleman from northern California, Congressman MIKE THOMPSON from California's Fifth District.

Mr. THOMPSON of California. I thank the gentleman, and my friend, for yielding.

Mr. Speaker, Members, I came down to the floor this afternoon to join my Blue Dog colleagues in calling for all of us in Congress to come together and do the work that we have been asked to do, the work that we have been sent to Washington, sent to Congress to do on behalf of the people that we represent. I came to Congress to get things done, to get things done for the people that I represent, and to get things done for the great country that we are all so privileged to live in and to participate in.

As Mr. COSTA mentioned, he and I served together in the State legislature in California, and I am very proud of the work that we did there. We were able to get a lot of things done. In the time that I was there, the majority of the time, I chaired the Senate Budget Committee. That was one of the reasons why I was so proud to be a Blue Dog, although the common thread that holds all Blue Dogs together is the issue of fiscal responsibility.

In my time in Sacramento chairing the Budget Committee, we always had a balanced budget. Fiscal responsibility was important, and it is equally as important here in Congress. Nobody likes the fact that we have huge deficits or huge debts. We understand that some things are unavoidable, but there has to be an understanding of and an intentional effort on the part of all of us to make sure that we are fiscally responsible and that we manage that debt, we manage that deficit, and we bring it down to a level that won't burden our children and our grandchildren in the years to come.

So I was stunned when I came to Congress and found out that it was very, very difficult to get anything done, to get people to work together. As JIM pointed out, I am one of the longer serving Members, so I was stunned a long time ago in what you can probably refer to today as "the good old days," when we were actually able to work together and get things done, but we didn't have a high level of that cooperation even back then.

Last week, I was with the Aspen Institute on a trade conference. Anybody who is familiar with them knows that they are able to bring together a bipartisan and bicameral representation of Congress, Members from the Senate and Members from the House, Democrats and Republicans. They also bring together some of the most famous scholars to talk about whatever the issue of the conference is. I was struck, at this trade conference, when one of the new Members that we serve with, now starting his sophomore term, after the scholars spoke and he was recognized, said: I came to Congress to involve myself in this type of problem solving, when people came together, talked about issues, talked about problems, and talked about solutions. He said: And this is the first time since I have been here that we have been able to engage in that type of dialogue.

That is not right, Members, and we all know that. We are here to work on