

and it is a humanitarian crisis on our southern border. And it is no longer just a humanitarian crisis for those who are pouring over our border illegally. They are taking their toll on the border patrolmen. Some have suspected that: Gee, maybe that is a strategy of the Democratic Party.

You keep talking about amnesty, about getting rid of border enforcement, which will encourage more and more people to come in.

You keep claiming that people, no matter whether they came in illegally or legally, should be allowed to vote and keep encouraging people in.

You refuse to give a dime for border enforcement. You refuse to give a dime for beds to house people who are pouring in illegally for what they need to be able to detain people that commit criminal acts in coming into the country.

You continue to talk about doing away with any criminality to violating the law and more people come in.

You devastate those officers who have taken an oath to defend our border and our Constitution, and they are already having recruiting problems.

Why would somebody want to come work where you have got a major party of the two in the country that castigates you at every turn, says you can't or won't protect babies, children, you do not care, you are mean, you are evil, when you are out there doing everything you can, and you are being harassed, not being given what you need?

And then we had this bill this week in Judiciary talking about it was going to add millions and millions and millions of dollars of requirements for the Border Patrol to have to follow, lest they be pursued with some kind of charge or allegation, and yet not give them a dime to do those jobs, knowing that the result will be more and more people flooding in, more and more humanitarian crisis. Then you blame the humanitarian crisis on those who are trying to secure our Nation.

□ 1400

Then you get an allowance for all of those people who have poured in illegally, and many of them don't speak English. They don't know what is going on. They have never been educated on how you sustain a self-governing country.

All I can figure, the assessment has to have been made, yes, it will have our country in chaos for a little while, and we will have to take away some freedoms because of all the chaos, but, as Democrats have said, that will end the Republican Party nationally, as the Democrats were able to do in California with 2 or 3 million pouring in and voting that had come in illegally after the amnesty in 1986.

Actually, after 1986, when they were given amnesty, now it is legal for them to vote, and that changed California into a very Democratic State.

And there is an assessment: We can do that for the Nation and eliminate

the Republican Party as having any kind of viability. And then once we do that, even though it has taken quite a toll on the country, we will get control back again. We will rein in the chaos, and the Republicans will be gone and we will be a one-party country.

Somebody must have made that kind of assessment to be pushing the kind of bills that they are.

We cannot allow that chaos to occur and to build, because it wasn't just Ronald Reagan, but historians throughout time have noted, once you have a country that has had great freedom and it loses that freedom, it doesn't come back. Reagan said not in that generation, but I have trouble finding where it ever came back once a nation of freedom lost it. That is a real potential if we don't get things under control.

I think God has blessed this country more than any country. I know Solomon's Israel was just an absolutely amazing place, but there is no place that has ever had our opportunities, our individual freedoms, our individual assets, never in the history of the world.

There is nothing wrong with recognizing the greatness that America has been. It is only in recognizing America's greatness that you can determine we want to perpetuate that for future generations to have those opportunities, those freedoms, those assets.

But we are in trouble, and there has got to be a change or our time as the greatest country in history will become a self-fulfilling prophesy of those who say: "Ah, it was never that great." "Nah, it is not a great country." "No, I have always been embarrassed of America." That will become a self-fulfilling prophecy. We will lose our greatness. We will lose our freedom.

I said to three individuals from Australia who were here on Capitol Hill a couple years ago: Hey, I have had people up here say when we lose our freedom, I guess we can all come to Australia.

Neither of them even laughed. One of them said: Do you not understand, if you lose your freedom in America, China will take over Australia before you could ever get there?

America is a shining light on a hill. We give people hope. I have heard it and seen it from Africans with tears in their eyes—and, yes, they were Christians. Maybe you would be prejudiced against them. But they said: We need America strong if we are going to have any chance of security and freedom in our own country.

Let's keep America strong. Let's support Israel. Let's support enforcing the law as it is, as it has been, and as we need it to prolong and perpetuate this incredible country.

Madam Speaker, I yield back the balance of my time.

FISCAL RESPONSIBILITY

The SPEAKER pro tempore. Under the Speaker's announced policy of Jan-

uary 3, 2019, the gentleman from Hawaii (Mr. CASE) is recognized for 60 minutes as the designee of the majority leader.

GENERAL LEAVE

Mr. CASE. Madam Speaker, I ask unanimous consent that all Members have 5 legislative days to revise and extend their remarks and include extraneous material on the subject of my Special Order.

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

There was no objection.

Mr. CASE. Madam Speaker, I rise as a proud member of the Democratic Blue Dog Coalition.

For a quarter century, the Blue Dogs in Congress have focused on three missions: fiscal responsibility for our country, a strong national defense, and commonsense solutions to practical problems.

We are 27 proud Democrats with democratic values. Our individual views and votes on the broad range of issues that come before this Congress run the gamut from progressive to moderate, centrist, and beyond; but together, we believe that the best way forward for our country on all of these issues is an underlying focus on fiscal responsibility, a strong national defense, and commonsense solutions wherever they may be found to practical problems.

Today, I wish to focus on fiscal responsibility. I do so as co-chair with my colleague from Utah, Mr. MCADAMS, of the Blue Dog Task Force on Fiscal Responsibility and Government Reform.

Let me start by saying, unfortunately, and very directly that it is very arguable that at no point in our entire history have we operated our Federal Government in as fiscally irresponsible a manner as we are operating it today.

There are lots of indicia of this out there, but nowhere does this show up more directly and stare us straight in the face than our national debt. Let me say what that is.

Our national debt is exactly what it sounds like. It is the amount that our Federal Government—you—owe to everyone who has loaned us money to pay for government.

Why do we have to do that? Because we are not bringing into government the revenues that are sufficient to match and pay for what we are paying for out of expenses.

We are now operating with a chronic and exploding deficit, and we are borrowing with abandon to make up the difference.

This particular chart is taken from the Congressional Budget Office. You will not find a more nonpartisan, objective, and professional group anywhere studying our fiscal responsibilities, our fiscal status, and our budgets than the Congressional Budget Office. I encourage everybody to take a look at their materials at cbo.org. This is just one of their many publications, and it is a wealth of information:

CBO The Budget and Economic Outlook Fiscal Years 2019 to 2049.

They are not only responsible for what has happened today; they are responsible for taking a look at the long-term, as any one of us would want to do with our own budgets.

What this chart shows is outlays, or spending, on the top line and revenues on the bottom line. In this particular chart, we are matching outlays over time, and the timeframe here is about 15 years, against gross domestic product, the percentage of gross domestic product.

Why is that important? It is important because one could have outlays and revenues coming in, but the only way to match it up is, how much is the strength of your economy overall? It is kind of like asking yourself: Well, in my own household budget, what is my level of spending, what is my level of borrowing, what is my level of income as opposed to my overall financial situation?

So here we have the percentage of gross domestic product over on the left in the vertical axis, and down here, time.

We can clearly see here that as we look out over a long, long period of time, that if we continued on the way we are today, we would see massive continuing spread of the two lines between expenses on the top and revenues at the bottom.

To amplify the situation, when we take a look at where we are currently, 2019, that dotted line right over here, that is about \$1 trillion, that gap, \$1 trillion in 1 year of a deficit.

So as we can see very obviously, not only are we in a very difficult situation today, but if we do nothing about it, it will spread over time.

Now, what actually finances that difference? Debt. We go out and borrow it. It doesn't just arrive in the middle of the night in an unmarked bag. It didn't just grow on the tree outside. We are operating at a chronic and exploding deficit and borrowing to make up this difference.

I am a returnee to Congress. I served in Congress from 2002 to 2007, so I tend to match up my experiences then versus now. I had a 12-year absence in between, half a generation if you want to think about it.

When I left Congress in early 2007, our national debt stood at \$9 trillion. Today, our national debt stands at \$22 trillion.

By the way, if you want to have a harrowing view of something, take a look at usdebtclock.org and watch the numbers turn over about as rapidly as anything you can see.

What you can see from studying the debt over time is an incredible increase over here on the right side of this chart.

But \$22.5 trillion today. Let's just think about that. That is \$68,300 for each and every citizen of this country, \$183,000 for each and every taxpayer. Really? 230 years in our country's his-

tory to get to a national debt of \$9 trillion, but just 12 years later, increasing by 250 percent to \$22.5 trillion?

Again, we can't just look at the absolute numbers, because they don't tell the full story. After all, if we had a thriving economy that was producing an incredible amount of money, some of these figures wouldn't make as much sense.

So let's, again, take the total debt against the total gross domestic product, again, just like any house or business would do. We can see here that if we chart total debt against GDP—again, on the far left side on the vertical axis, we have GDP—as a percent of GDP, and down here, we have a period that starts at the origins of our country and concludes in 2049, from the start of our country to 2049, you can see the peaks right here.

Obviously, our country was in bad shape at the beginning in the Revolutionary War and thereafter. We were just starting out as a country. And you can see, for example, the Civil War, this peak.

Wars are times when we have to borrow money. Wars are times that are very, very difficult for economies, and obviously our expenses are up and people have needs, and during that period, we borrow money. We always try, or have always tried, to pay it back down because we don't know when the next emergency will come along.

We can see another peak here, World War I. We see the Great Depression right here, the Great Depression and Franklin Roosevelt's New Deal, which was financed with borrowing. And then, of course, the tragedy of World War II, the absolute peak of our debt versus our gross domestic product, right there.

And why not? Our world was at war. Our economy was in a shambles. We had to finance that war.

Not only did we finance that war, we financed the entire recovery of the world, the Marshall Plan, in so many ways. We rebuilt our cities. We rebuilt the national highway system. We incurred that largely through debt. This was the highest point of our debt to date.

We see, again, some peaks that were related to great recessions and downturns in our economy where we had to borrow for a little while, then we came back down. And then we came to the last 15 to 20 years.

□ 1415

Up until this point, we operated fairly responsibly. By 15 to 20 years, we abandoned fiscal responsibility and started down a road of accelerating debt, for the most part unrelated to wars, other than for Iraq and Afghanistan, which definitely had a consequence for our national debt, but mostly a result of a failure in this body and the administration to balance budgets as we went along.

Here we are in 2017, 2018, and 2019. What is scarier than anything else is

the CBO's projection of where it is going over time: out the roof, straight up.

We can see that this is not a partisan issue. In this particular graph, the percent of GDP is over on the left axis, and the bottom vertical axis is over time. In more recent history, the post-war period by Presidencies, we have Democrats in blue and Republicans in red.

We see over here President Truman in the late 1940s had a high threshold of debt-to-GDP, a little over 100 percent. Then, of course, it came down after that as we recovered. It went up in the era of some of our Great Recessions and, of course, our wars.

Then, we had the period when we did the best, which was an evolution from President Clinton into President Bush, which was the last time we balanced our budget.

Then, there is that spike starting with President Bush through the last Presidency and, especially, off the current Presidency into an ascending column, which is a projection from the Congressional Budget Office.

These are scary projections because the CBO projects that if we do nothing, we will see our debt climb to around 144 percent of GDP within a couple of decades.

Where does that rank us in the world? After all, we have had other governments that have had high debt. We have had other governments that have collapsed. We have had other governments for which their budget problems have caught up with them. Let's take a look at that.

This chart shows the period projected from the current year out only 5 years. It asks the question: What is the growth in our debt-to-GDP as compared to the rest of the world? How fast are we growing in our debt versus the rest of the world?

Unfortunately, the line on the right is us. We project that our debt-to-GDP will grow 11 percent over the next couple of years.

The next line is Italy. We have Korea and Japan, but the rest of the world seems to be getting their growth under control. Some of these countries are recovering from recessions, but some of these countries just have sound economic practices.

The embarrassing thing about this chart, the scary thing about this chart, is that we are not the world's leader. We are the world's loser, in terms of controlling our national debt.

Why should we care about all of this? One of the questions asked sometimes is: Why does debt matter?

I think the first and foremost obvious answer is that debt costs something. It is not free. If we borrow money, we pay interest. That is what everybody who loans us money expects. They expect to be paid some interest. These interest payments accelerate rapidly in times of accelerating debt.

We see here a projection, again based on figures from the Congressional

Budget Office, of interest spending over time, the next 10 years, in this particular case. We see that, today, we have interest of somewhere around \$400 billion a year but accelerating at a very rapid rate over the next decade, up to close to \$1 trillion a year.

The red line is a scenario that is very likely if we do not make some tough decisions. That gets us even higher.

This is the actual trend that we are looking at. That is a lot of money to be paying just for interest.

To make matters worse, try to compare that level of interest spending against some of our other spending.

In this particular chart, we see this line is our interest spending, kept relatively modest until recently but then accelerating very rapidly, as was indicated in my prior chart, to the levels out to 2029 that are truly scary. That is not the scary part, if that is not scary enough.

This line is our total spending on our children. What do we do to take care of the children of our country? That is our spending line. Interest is just crossing it right now. This is our total defense spending projected out over time with interest crossing over.

What this shows is that we are about to pay, in a very short period of time, if we don't do anything, far more money in basic interest on our national debt than we are spending on our children and our defense. That is an inexcusable situation for us to be in.

The first basic problem is that we crowd out spending for other Federal purposes, which forces us, by the way, to borrow more, which forces us to have higher debt, which forces us to pay more interest. Everybody who has been in a business or a personal situation knows this.

The second basic problem with that is why should we care about debt—national security. Where does this money come from? Who is lending us this money?

Two-fifths of our interest payments go overseas, two-fifths of the people in this world who are loaning us money. Two-fifths of our total debt is loaned to us, basically, by other countries. Other countries, 26 percent.

This is the line that is scary: China, up to 7 percent now and growing. Japan, okay, fine, we welcome Japan loaning money to us. But on balance, I would rather the blue be the blue rather than owing the money to other countries because who knows what is going to happen over the next 10 or 20 years or generations.

This is, obviously, not just an issue of our own fiscal stability, but it is a question of national security.

Another question of national security is that we need this money in case we get into other situations in the world, hopefully not, but prepare for the situation where we may have to have massive increases in defense spending over the next generation.

These are areas where we have traditionally tried to pay down our debt so

that we can borrow back up to finance these additional expenditures without destroying our economy. Yet, when we borrow in good times to finance even larger Federal spending, then we have very little safety net to be able to borrow in bad times.

That is not just a matter of budgetary stability. That is a matter of national security.

Finally, why should it matter? Economic damage. There is a school out there that is trying to justify more debt, which is largely not agreed to by most economists. Most economists agree that, over time, large levels of debt, large levels of interest payments, drive up basic interest rates. They drive up basic interest rates, and that is bad for the economy. They drive up inflation, and that is bad for the economy.

They lead to a situation where the markets out there—the people who are loaning us money, the people who are relying on the United States for its full faith and credit—start to doubt our basic fiscal solvency. They start to not only loan us money, but they start to charge us more interest, and that causes an economic problem.

Finally, it is just bad budgetary practice to skate too closely on thin ice.

This is why we should care: because our interest payments are crowding out spending; because it is a national security issue; and because, over time, it is an economic issue.

How did we get into this mess? Well, obviously, we are spending more than we are taking in. Our long-term deficit buildup and short-term tax reduction and spending increases are really the issue.

This chart is an illustration, again based on CBO information, of where our deficits are coming from today. When we are talking about the total amount of deficits closing in on \$1 trillion, we see that absent recent legislation—we are talking about just the last 5 years or so—we had a chronic deficit of close to \$400 billion a year. That is pretty bad since, if we take \$400 billion and times it by 5 years, all of a sudden, we are at \$2 trillion of debt.

But, then, we made major mistakes from a fiscal responsibility perspective in the last few years.

First of all, we had tax extenders that were not paid for. We will get into that. We had tax credits, tax reductions, and tax rates that were extended without accounting on the other side for the spending.

We had a major tax bill, which is still debated in this Chamber as to whether it was the right idea or not. What is indisputable about that tax bill was that it drove incredibly increasing deficits and incredibly and rapidly increasing debt.

Then, finally, we had a budget agreement, last year, to raise the amount of spending. There is nothing wrong with raising the amount of spending, per se, if it is a public judgment and a policy judgment that that is the best thing

for our country. What is wrong is to pretend that there is no consequence to our deficit, debt, and national fiscal policy.

What do we do about it?

By the way, I want to go back to that point for a second. We are not debating here whether our government should be bigger or smaller. We are not debating here whether taxes should be higher or lower. We can have that debate. It has been going on, after all, for 250 years and even before that back to the Colonies. We have always talked about how big government should or shouldn't be, how much we should or shouldn't spend through government. We just had that debate here on this floor today.

We have always talked about the overall level of taxes. Should they be higher? Should they be lower? Should we have high taxes to pay for spending? Should they be lower to generate economic growth? Those are good, solid policy decisions to be made.

That is not what we are talking about here. What we are talking about here is the fiscal result when we don't balance spending and revenues, the result when we don't balance spending and revenues.

We can choose to have high spending, but if we don't generate the revenue for that, then we are going to end up with incredible deficits and debt. We can choose to have lower taxes, but if we don't adjust the spending at the same time, we are going to end up with high deficits and debt. It just makes perfect sense.

That is all that we are talking about here. We are willing and able to have the debate over the size of government and taxes.

Again, within our Blue Dog Caucus, we have disagreements on that. But where we have centralization of agreement is in managing the consequence of that debate and having it be an honest debate, not a debate that pulls the wool over our fellow citizens' eyes on the consequences.

What do we do about it? Well, I think, first of all, we start talking about it again. It is really hard. Twenty years ago, in the great times when we actually did balance the budget in the late 1990s and the early 2000s, public sentiment was high on deficits and debt. People cared about this. People understood the risk.

Then, all of a sudden, politicians stopped talking about it. They did, on both sides of the aisle, what many of us do when faced with a major issue: We deny it. We don't want to acknowledge it. It is too much trouble. We don't want to say that when we cut taxes and don't adjust spending, there is a consequence for our deficit and the debt. We don't want to say the reverse of that. We want to tell everybody that everything is okay. After all, we can have our cake and eat it, too.

I don't want to go back to my district and say, well, I can't vote for a tax reduction because it is going to blow our deficit and debt.

This is an insidious situation. The consequences of deficits and debt are not apparent right up front. They don't catch up with us for a long time. But I think we all know, deep down, that we have a problem and that is not true.

□ 1430

And the second thing we have to do, at some point, is simply make a plan and implement it. And that is what our Democratic Blue Dog Coalition has done and will try to do going forward.

We have tried to come up with a blueprint for fiscal responsibility, which today, we endorsed and released. And these are a series of points that we believe need to be pursued in order to have some chance at fiscal responsibility and sustainability over time.

From that perspective, I am very pleased that I am joined today by my colleague from Utah (Mr. MCADAMS), my co-chair of the Blue Dog Task Force on Fiscal Responsibility and Government Reform, to share his views and to outline some of our agenda items.

I yield to the gentleman from Utah (Mr. MCADAMS).

Mr. MCADAMS. Madam Speaker, I thank Representative CASE for organizing this Special Order today, and I thank him for his outstanding work as the co-chair of the Blue Dog Task Force on Fiscal Responsibility and Government Reform.

I am lucky to serve alongside him as co-chair, and I also want to thank STEPHANIE MURPHY for her tireless leadership in Congress and with the Blue Dogs.

Madam Speaker, Washington has an addiction problem. It is hooked on deficits, and it is hooked on debt. Our entire Nation, our children, and their children will pay the price for this addiction.

On March 2, 2019, the debt limit was reinstated as \$22 trillion as Representative CASE so appropriately outlined. To operate the government at this limit, the Treasury Department deployed extraordinary measures, accounting maneuvers, allowing government operations to continue. But if those measures run out and our cash reserves are depleted, the Federal Government would reach the unprecedented day on which our Federal Government cannot meet all of its obligations in full and on time.

The consequences of defaulting on our obligations are unknown, but could be economically devastating, not only for the United States, but globally.

As Federal Reserve Chairman Jerome Powell said recently about the prospect of not raising the debt limit: "It is beyond even considering that the United States would not honor all of its obligations and pay them when due. It is just something that can't even be considered," he said.

We know that the costs of barreling towards this fiscal cliff are already mounting. American taxpayers foot the bill for additional borrowing costs that

come from delays in extending the debt limit.

In previous years, uncertainty has caused interest rates on some Treasury bills to spike in anticipation of going over the fiscal cliff, resulting in many millions, if not billions of dollars in added interest costs.

As we have done more than 100 times, we are now preparing to vote to raise the debt limit. Raising it does not authorize new spending. It enables the government to pay its bills and avoid the sorry reality of becoming an untrustworthy borrower. What better time to pair that vote with a plan to reform government spending?

It is not as if we woke up this morning to suddenly face this fiscal calamity. It has been building for decades, as we just saw. Both parties in Republican and Democratic administrations have contributed to the problem. The question is: What are we going to do about it? And when will we start to get our borrowing and our spending addiction under control?

The Blue Dog Coalition, of which I am a proud member, has a well-deserved reputation for talking the talk and walking the walk when it comes to fiscal responsibility.

Look at the Blue Dog priorities on fiscal responsibility and you will see a comprehensive list of pragmatic steps that we can take, some of which we have already taken.

For example, Blue Dogs support the House paygo rules. It is one of the first things the Blue Dogs fought for when we got sworn in this year. And I was pleased to see the House keep paygo rules.

We don't want those rules to be waived, but if they are, there should be a vote held on a waiver. Blue Dogs support a constitutional amendment to require a balanced budget every year, except in times of war, in times of national emergency, or recession.

I was proud that my first bill introduced in this Congress was this exact balanced budget amendment that the Blue Dogs have endorsed. We want to return to regular order. Passing a budget every year and on time and avoiding omnibus appropriation packages that do not align with that budget.

As a former mayor myself who had to balance a budget every year and do so in a bipartisan fashion, I was then, as I am now, accountable to the taxpayers for every dollar we spent. Do elected officials face tough tradeoffs? Yes, absolutely. That comes with the job. Just as hardworking families and small business owners must do, you must work together, and we, in Congress, must work together to set priorities and make sure the checkbook balances at the end of each month.

It is important that we fully offset the cost of all new spending or reductions in fiscal revenues with spending cuts or revenue increases. We must make those tough choices. We need strict, enforceable spending caps to ensure a fiscally responsible budget.

The Blue Dogs also support better oversight over our government spending. The Government Accountability Office, or GAO, and the inspectors general are important entities throughout the Federal Government that hold Federal agencies accountable to taxpayers and recommend improvements.

We believe that Congress should know what it is voting on by having every conference report and bill that comes to the floor of the House accompanied by a cost estimate prepared by the nonpartisan Congressional Budget Office, and that should be done at least 24 hours in advance of the floor vote. We believe that committees should identify proper and related offsets before the legislation is reported out of committee.

A \$22 trillion debt burden is a heavy lift to eliminate, for sure. But at the very least, we should be able to agree not to take on new policies that add to that debt.

We teach our kids that if they want something badly enough, they need to figure out how to pay for it. Tax reform should be deficit neutral. Spending plans should be fully paid for. Even emergency spending, which should be passed quickly to respond when our communities need it most, should include a plan to pay for it, and we can think ahead and plan ahead for those emergencies.

We should get away from the ad hoc emergency spending and figure out how to establish a rainy-day fund which 45 States currently have. Every man, woman, and child in America owes \$68,000 as Representative CASE has highlighted as their share of the national debt. We will all be morally bankrupt, as well as financially bankrupt, if we don't stop kicking the can down the road and make future generations liable for our lack of fiscal discipline today.

And so my colleagues often ask me why deficits matter? My answer is because future generations will be forced to bear the burden of our failure if we don't act today. And the longer it takes for us to act, the more difficult those decisions become.

The cost of paying interest on our debt is the fastest growing part of the budget. We will spend more on interest than on defense by the year 2025. That is 6 years from now. Let that sink in. The government is projected to spend \$383 billion on interest payments for its debt this year alone. This year, \$383 billion.

So why do I care about the debt and deficits? It is because a strong fiscal house means we have a stronger country. That \$383 billion spent on interest payments in our debt is \$383 billion we can't spend on other priorities, such as clean energy and transportation, and affordable healthcare. The interest we pay on the debt is simply going on to our credit card. It is becoming part of the debt.

So if you care about healthcare, if you care about climate change and

building a 21st century infrastructure system, if you care about affordable housing and any other investment that the government can make, then I urge you, care about the debt, and care about our deficits. Because every dollar spent on paying down the debt and its deficits or interest on that debt is one more dollar that could have been invested in priorities that strengthen our country, that strengthen our national defense, and strengthens the American people.

It is clear that we are on a dangerous and unsustainable course. The decisions will not be easy. But our children and our grandchildren are counting on us to make this right. We were elected to make tough decisions.

I thank the gentleman for yielding to me.

Mr. CASE. Madam Speaker, I thank the gentleman so much, and I am privileged to be his co-chair.

Would the gentleman engage me in a colloquy on a few of the issues that he touched on?

Mr. MCADAMS. Will the gentleman yield?

Mr. CASE. I yield to the gentleman from Utah.

Mr. MCADAMS. I would be happy to.

Mr. CASE. Madam Speaker, I thank the gentleman. Let's talk about his proposed balanced budget amendment, by the way, of which I am a proud co-sponsor.

Some people criticized the balanced budget amendment which would have to be ratified throughout our country, as an overly restrictive mechanism, especially in times of national emergency.

As the gentleman's balanced budget amendment is crafted, is there flexibility to borrow money and to deficit spend in times of genuine national need?

I yield to the gentleman from Utah.

Mr. MCADAMS. Yes, absolutely. We recognize that there may be emergencies that are unforeseen and unplanned for. And in those cases, the language of my proposed amendment would allow for deficit spending to help our communities in times of need, in times of national disasters or other emergencies. And I think that is important.

Mr. CASE. So we always have the ability to override the basic provisions with that balanced budget amendment in Congress, or where we believe that we do have to borrow that money. This is just a mechanism to introduce the same fiscal discipline that a well-run business or household has to follow?

I yield to the gentleman.

Mr. MCADAMS. That is correct.

Mr. CASE. As, by the way, is the case with 49 out of 50 of our States, who either have a similar balanced budget amendment in their constitution or by statute.

Mr. MCADAMS. Madam Speaker, that is correct. In my own State of Utah that has a balanced budget requirement, and has established a rainy-

day fund, as I mentioned, such that when those emergencies arise, they have funds available to account for that.

I would urge us to not only have that flexibility built into the language of the amendment, but to plan ahead. While we don't know what the next emergency will be or where it will strike, we know that dark days are ahead of us, and that there will be natural disasters and other emergencies and we should plan ahead for those.

Mr. CASE. Madam Speaker, the gentleman made reference to the fact that he was a mayor, and I made the comment to the gentleman once, and I believe it, that of all of the public officials I have ever worked with throughout the country, I think mayors understand fiscal responsibility the best.

The gentleman made reference to the fact that he functioned under a balanced budget as a mayor. Was there any magic to that? How did the gentleman do that? He had a requirement to do that, so what did he do?

I yield to the gentleman from Utah.

Mr. MCADAMS. Well, one thing, I had a council of nine members: five Republicans and four Democrats. And one thing I know from experience is balancing a budget is hard. We have to make really tough choices. There are certainly things that may not be meritorious expenses that are easy to say no to, but by and large, we have to make some really tough decisions.

We can't do it all, even though we might want to do it all. You cannot do it all. And what it takes is, first of all, have a bipartisan relationship where people put their priorities on the table, discuss what they want to accomplish, and how they want to get there.

And then everyone has to continue to work together to refine proposals, to make sure that you cut the fat out of of proposals and make sure that they are well refined, and every dollar spent is justified.

Ultimately, we have been able to balance a budget. We have to make tough decisions, but we are able to balance a budget, because there is that expectation, that requirement that we must get there, and so we do get there.

Mr. CASE. Madam Speaker, so to that point, my experience in Hawaii, where we have had a balanced budget for a long time—and I was a State legislator—so I had knock-down, drag-out fights over all this kind of stuff, whether it be to increase spending, or tax reductions, or tax increases. But it was always against the backdrop that it had to balance.

My sense was always that the folks that we represented understood that that presented us with a series of tough choices, and they understood that in the big picture, the tough choices that we had to make as a result of a balanced budget, were for the better, the overall, long-term, big picture fiscal health, economic health and social health of Hawaii.

Did the gentleman have that experience in Utah?

I yield to the gentleman from Utah.

Mr. MCADAMS. Madam Speaker, we did have that experience, and I would add, it made us better. The county that I presided over as mayor, we had a AAA bond rating. The faith in our ability to pay our debts meant we paid lower interest rates. People knew that we would not default on those debts, and we saved tax dollars because people knew that we could balance our budget.

I would like to add one point to the gentleman's consideration. Fiscal responsibility is important. It is important for our States. It is important for this country.

But another element that I found in the process of balancing a budget, when we had to make those tough choices, when, at the end of the day, the ledger had to balance, what we were forced to do was go back and look at every expenditure we made and ask ourselves:

Can it be done more effectively?

Can we stretch our dollars further?

Is the program or endeavor that we are engaged in the lowest-cost alternative?

Are tax dollars being spent wisely?

Are programs invested in our citizens, whether it is a program to reduce recidivism or to improve early childhood learning?

We were expected to look and evaluate the effectiveness of each and every program because we were having to make competing choices. We were choosing between one good and, hopefully, a better good, and that required us to quantify empirically the outcomes we were receiving from our programs.

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That was good for fiscal responsibility. More importantly, it was good for the people we were serving because the programs we were delivering were expected to improve. We held those programs to a high standard on behalf of the citizens who we served.

Mr. CASE. I think what the gentleman is saying in a very gracious Utah way is that the lack of a balanced budget where we always have the recourse to just borrow money and kick some cans down the road disincentivizes the efficient and effective expenditure of government funds, of taxpayer funds. After all, if there is waste in that expenditure, there is a safety valve there, whereas a balanced budget drives a certain discipline.

Mr. MCADAMS. Waste in plowing snow or fixing streetlights is one thing, but in programs that serve our residents, there is a human cost to programs that aren't held to a high standard. It takes a toll on individuals and on families—on people—who were promised one outcome. If a program fails to deliver on that, there is a human cost.

Mr. CASE. One other point that the gentleman made that I think bears further discussion is the gentleman's reference to paygo. Of course, we throw

“paygo” around here all the time. Sometimes, people’s eyes kind of blank out when we talk about paygo.

Can the gentleman talk a little bit more about the simplistic and basic approach of paygo? What does it mean? What is its effect on the work that we do?

Madam Speaker, I yield to the gentleman from Utah.

Mr. MCADAMS. The rules of the House require that any legislation that would have a fiscal impact has to be paid for. We can’t simply add that on to the tab and put it on the taxpayers’ credit card. Every legislation has to be paid for upfront.

Mr. CASE. In other words, not financed by additional debt, which would have the result of driving up the deficit, the debt, and interest payments?

Madam Speaker, I yield to the gentleman from Utah.

Mr. MCADAMS. That is exactly right. I describe it as saying that the first rule when you find yourself in a hole and are not sure how to get out is to stop digging.

Mr. CASE. Let’s take a pretty straightforward example. Let’s say that we wanted to reduce taxes.

By the way, we can acknowledge there is a debate about whether reducing taxes does, in fact, generate revenue or not. But for these purposes and especially the recent large tax cut, we simply did not see a return on revenues from those tax cuts.

But let’s just stick with the fact that if we reduce taxes, then we have to either increase another tax and/or reduce government spending somewhere to be able to have a budget-neutral, a deficit-neutral outcome.

Is that correct?

Madam Speaker, I yield to the gentleman from Utah.

Mr. MCADAMS. That is right. Every activity, whether it is reducing revenues or increasing spending, should be neutral as it relates to the Federal deficit.

Mr. CASE. Conversely, if we want to increase Federal spending, we have to either reduce some other Federal spending or increase taxes, correct?

Madam Speaker, I yield to the gentleman from Utah.

Mr. MCADAMS. Exactly. That is correct.

Mr. CASE. The gentleman said that the House rules already provided for paygo. So why are we here so concerned about it?

Mr. MCADAMS. One of my concerns is the willingness with which both sides, both parties, will waive paygo. It takes a simple majority to waive paygo. We have seen that happen from time to time, whether it is exigent circumstances like emergencies, but other things that we can plan ahead and should look ahead for.

Mr. CASE. Essentially, we have a rule that is honored in the breach?

Madam Speaker, I yield to the gentleman from Utah.

Mr. MCADAMS. Yes.

Mr. CASE. Of course. One of the elements of our Blue Dog fiscal responsibility blueprint is to tighten up the rules on paygo so that we stop the bleeding on debt and deficit spending.

Mr. MCADAMS. Exactly.

Mr. CASE. Again, I am honored to be the gentleman’s co-chair, and I thank the gentleman for adding to our debate today.

Madam Speaker, I want to make one other point before I close on this subject. I want to emphasize one of the points made by my colleague from Utah. He talked about restoring the budget and appropriations process. This starts to be real inside baseball.

Congress goes through a process establishing a budget, which is the overall outline of Federal spending for the next year—because we do everything on a yearly basis, for the most part—and then passing appropriations bills that are consistent with that budget. In other words, we make the big picture decision upfront in a budget, and then we have our appropriations bills that must match that budget.

In what we refer to here as regular order, what we would do is first have a budget resolution that passes the House, passes the Senate, and is agreed to by both the House and the Senate so that we know what our roadmap is. Then, we would take each of the areas of government that needs appropriations every year.

The way we do it is, there are 12 separate appropriations bills, and we would individually pass each of those bills consistent with the budget. We would do all of that by October 1, which is when our fiscal year starts.

We would call that regular order. That would be quite regular order for any business and any personal budget.

The last time we followed regular order was 1995. The last time we went through a full budget process, an individual appropriations bill process, was 1995. And that has simply thrown our Federal fiscal house into disarray. We saw that with an incredibly tragic and unnecessary Federal Government shutdown just late last year and earlier this year. That was in part to be laid at the feet of our failure to follow basic budgetary, fiscal, and appropriations procedures.

We have tried, on a bipartisan basis, to fix this. In fact, just last year, we had a bicameral, bipartisan committee set up to reform the rules of the House and the Senate as to the budget and the appropriations process.

I want to read a passage from that committee’s report. This was the Joint Select Committee on Budget and Appropriations Process Reform, Republicans and Democrats, House and Senate.

Here is a quote from the committee’s report in late 2018: “There have been numerous breakdowns in the budget process in recent decades. Fiscal year 1995 was the last time Congress passed a conference report on the budget resolution followed by passage of 13 sepa-

rate appropriations bills before the beginning of the new fiscal year.”

We now do 12.

“Continuing resolutions, CRs, have become the status quo for funding the Federal Government, demonstrating Congress’ failure to complete its work on time. CRs create uncertainty for agencies and the American people.”

By the way, I stop to describe a CR as a resolution that says: Sorry, we can’t figure out what to do in this next fiscal year. So while we are trying to figure it out, all we are going to do is continue the spending the way it was in the last fiscal year, no adjustment of spending levels, no adjustment of priorities, and no update for current situations. Let’s just kick this can down the road.

That is a CR.

Back to the report.

“In many years, there has been concern that parts of the government would have to shut down due to the failure to enact even stopgap appropriations, and shutdowns of various durations have actually occurred. In the 115th Congress alone,” the most recent Congress, “there have been two government shutdowns. Whether it is Federal employees being furloughed, national parks shutting down, adverse effects on defense and law enforcement, shutdowns inflict severe damage and uncertainty on the Nation’s fiscal state. Additionally, multiple JSCBAPR members expressed frustration regarding the lack of legislative tools available for Congress to address national needs or the national debt in a bipartisan manner.”

The committee’s report was submitted very, very late in the last Congress, so there was really not enough time to debate it fully and to proceed, but the report certainly remains highly relevant together with recommended legislation. Our Blue Dog Caucus believes that reform along those lines is necessary.

Finally—and I don’t speak now for the Blue Dogs, but I do speak for myself and, I believe, many individual Blue Dogs and perhaps others—we have another mechanism available to us, a mechanism that we shouldn’t have to follow but that sometimes may be the only way to cut through the political dialogue and the fears of people to make tough decisions. That is to develop independent commissions outside Congress of experts, hopefully on a neutral basis and hopefully on a non-partisan or bipartisan basis, who are charged with reviewing and making decisions on revenue and spending matters and reporting their results back to Congress, hopefully for an up-or-down vote. If Congress gets the opportunity to pick at a balanced report once it comes back, then it defeats the purpose of the commission to start with. Simpson-Bowles was one very well-known commission that failed, and there have been others.

It is certainly conceivable that if we can’t get our act in order in Congress—

as we should be able to do, and as I believe the American people want and think we should do—then we need to resort to some other mechanism to get this House in order.

Finally, we need public support. We need to get people involved again in this issue.

As I said earlier, the late 1990s and early 2000s were the height of public concern over deficits and debt, and it resulted in external pressure to Congress to balance our budget.

A succession of two Presidents with bipartisan Congresses, by the way, got

it balanced. The public demanded it; we delivered.

Now, it is almost a forgotten issue. It doesn't even rank in the top 10 of major issues. We have many, many major issues. But, Madam Speaker, I will tell you one thing, the issues that are in the top 10, our solutions to those issues will be crippled if we don't get our basic fiscal house in order.

In conclusion, the Blue Dogs believe that we are, in fact, in a national crisis. We stand ready to work with anyone and everyone toward common-sense, mainstream solutions.

Madam Speaker, I yield back the balance of my time.

ADJOURNMENT

Mr. CASE. Madam Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 2 o'clock and 55 minutes p.m.), under its previous order, the House adjourned until tomorrow, Friday, July 19, 2019, at 9:30 a.m.

EXPENDITURE REPORTS CONCERNING OFFICIAL FOREIGN TRAVEL

Reports concerning the foreign currencies and U.S. dollars utilized for Official Foreign Travel during the second quarter of 2019, pursuant to Public Law 95-384, are as follows:

REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, DELEGATION TO SLOVAKIA, EXPENDED BETWEEN MAY 30 AND JUNE 3, 2019

Name of Member or employee	Date		Country	Per diem ¹		Transportation		Other purposes		Total
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency ²	Foreign currency	U.S. dollar equivalent or U.S. currency ²	Foreign currency	U.S. dollar equivalent or U.S. currency ²	
Hon. Gerald Connolly	5/30	6/3	Slovakia		1222.80					1,222.80
Hon. Michael Turner	5/30	6/3	Slovakia		1222.80					1,222.80
Hon. Brett Guthrie	5/30	6/3	Slovakia		1222.80					1,222.80
Hon. Linda Sánchez	5/30	6/3	Slovakia		1222.80					1,222.80
Hon. Susan Davis	5/30	6/3	Slovakia		1222.80					1,222.80
Hon. Neal Dunn	5/30	6/3	Slovakia		1222.80					1,222.80
Hon. James Sensenbrenner	5/30	6/3	Slovakia		1222.80					1,222.80
Hon. Paul Cook	5/30	6/3	Slovakia		1222.80					1,222.80
Hon. James Costa	6/1	6/3	Slovakia		611.40					611.40
Hon. Brendan Boyle	5/31	6/3	Slovakia		917.10		3,382.20			4,299.30
Hon. Filemon Vela	5/31	6/3	Slovakia		917.10					917.10
Hon. John Shimkus	5/30	6/3	Slovakia		1,222.80					1,222.80
Collin Davenport	5/30	6/3	Slovakia		1,222.80					1,222.80
Adam Howard	5/30	6/3	Slovakia		1,222.80					1,222.80
Edmund Rice	5/30	6/3	Slovakia		1,222.80					1,222.80
Kate Knudson			Slovakia						226.02	226.02
Committee total					17,119.20		3,382.20		226.02	20,727.42

¹ Per diem constitutes lodging and meals.

² If foreign currency is used, enter U.S. dollar equivalent; if U.S. currency is used, enter amount expended.

HON. GERALD E. CONNOLLY, July 2, 2019.

REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, DELEGATION TO MEXICO, EXPENDED BETWEEN JUNE 5 AND JUNE 8, 2019

Name of Member or employee	Date		Country	Per diem ¹		Transportation		Other purposes		Total
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency ²	Foreign currency	U.S. dollar equivalent or U.S. currency ²	Foreign currency	U.S. dollar equivalent or U.S. currency ²	
Hon. Katherine Monge	6/5	6/8	Mexico		1,272.00		431.88			1,703.88
Hon. Jaime Lizárraga	6/5	6/8	Mexico		1,272.00		431.75			1,703.75
Committee total					2,544.00		863.63			3,407.63

¹ Per diem constitutes lodging and meals.

² If foreign currency is used, enter U.S. dollar equivalent; if U.S. currency is used, enter amount expended.

HON. NANCY PELOSI, July 3, 2019.

REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, DELEGATION TO FRANCE, EXPENDED BETWEEN JUNE 6 AND JUNE 9, 2019

Name of Member or employee	Date		Country	Per diem ¹		Transportation		Other purposes		Total
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency ²	Foreign currency	U.S. dollar equivalent or U.S. currency ²	Foreign currency	U.S. dollar equivalent or U.S. currency ²	
Hon. Nancy Pelosi	6/6	6/9	France		2,590.00		(3)			2,590.00
Hon. Kevin McCarthy	6/6	6/9	France		2,590.00		(3)			2,590.00
Hon. Eliot Engel	6/6	6/9	France		2,590.00		(3)			2,590.00
Hon. Mark Takano	6/6	6/9	France		2,590.00		(3)			2,590.00
Hon. Don Young	6/6	6/9	France		2,590.00		(3)			2,590.00
Hon. Anna Eshoo	6/6	6/9	France		2,590.00		(3)			2,590.00
Hon. Mac Thornberry	6/6	6/9	France		2,590.00		(3)			2,590.00
Hon. Ron Kind	6/6	6/9	France		2,590.00		(3)			2,590.00
Hon. James Langevin	6/6	6/9	France		2,590.00		(3)			2,590.00
Hon. Stephen Lynch	6/6	6/9	France		2,590.00		(3)			2,590.00
Hon. Dutch Ruppersberger	6/6	6/9	France		2,590.00		(3)			2,590.00
Hon. G.K. Butterfield	6/6	6/9	France		2,590.00		(3)			2,590.00
Hon. Mike Conaway	6/6	6/9	France		2,590.00		(3)			2,590.00
Hon. James Costa	6/6	6/9	France		2,590.00		(3)			2,590.00
Hon. Jeff Fortenberry	6/6	6/9	France		2,590.00		(3)			2,590.00
Hon. Louie Gohmert	6/6	6/9	France		2,590.00		(3)			2,590.00
Hon. Kenny Marchant	6/6	6/9	France		2,590.00		(3)			2,590.00
Hon. Mike McCaul	6/6	6/9	France		2,590.00		(3)			2,590.00
Hon. Debbie Wasserman Schultz	6/6	6/7	France		2,590.00		(3) 820.23			3,410.23
Hon. Ed Perlmutter	6/6	6/9	France		2,590.00		(3)			2,590.00
Hon. Bob Latta	6/6	6/9	France		2,590.00		(3)			2,590.00
Hon. Jackie Speier	6/6	6/9	France		2,590.00		(3)			2,590.00