

attempt to dismantle the Department. We don't know what the plan will be, but count on our opposition to any plan that will abolish the Department of Education and the programs in it. To that end, Democrats will always be for the wellbeing of students, teachers, and parents across the country.

IT'S THE MATH

(Under the Speaker's announced policy of January 3, 2025, Mr. SCHWEIKERT of Arizona was recognized for 30 minutes.)

Mr. SCHWEIKERT. Mr. Speaker, let's have some fun with math and the reality of what is going on in the world.

First, let me get something off my chest. I hate it when I make a mistake. Mr. Speaker, have you ever had that moment when you say something as you are walking down to your next meeting and you go: oh, damn it?

Last week, I was walking through a series of different numbers, and one of them was a proposal, or a discussion coming out of the White House. It was about taking the top tax rate and just letting it expire.

I think I said it was \$32.7 billion. That is for a single year. Just multiply it by 10. That is what the actual math would be.

Mr. Speaker, one of the reasons I am sort of stressed out of my mind right now is more than the chaos we see in some of the financial markets and trying to understand the tariff issues and our leverage on other countries and their leverage and what is going on there.

I don't think we are spending enough time talking about our own work. Last Friday—actually, it may have been Saturday morning—the Senate passed their version of a reconciliation budget. It was a completely unserious document.

I am going to show over and over here how they took a pass on doing what was difficult. If this is a negotiation between the House and the Senate, for example, Mr. Speaker, if you have ever bought a car or been in a negotiation, when one side gives a completely unserious offer, the other side often has to walk away until they get serious.

There are real things going on in the world. Here is an article from the other day. I have a small stack of these. It is talking about bond markets and debt markets and others starting to unload U.S. debt.

Mr. Speaker, today, if you are a geek and are watching the 10-year bond—I was watching it over a period of an hour or so. I saw the 10-year bond move by about 20 basis points. Now, in geek speak, that is a big deal. Apparently, it has been 5 years. Think about some of the crazy things that were going on 5 years ago to see that sort of movement. We are stressing the crap out of the markets.

Why that is important is this country borrows about \$60,000 to \$70,000

every second. That becomes \$250 million every hour. Last year, for every dollar we took in, in tax receipts, we spent \$1.39.

The reality of it is you borrow 39 cents out of every dollar. For the \$5 trillion we are going to take in, in tax receipts and we are going to spend \$7.1 trillion or \$7.2 trillion. Maybe we don't screw with the bankers.

Mr. Speaker, the reality of it is your savings, this government's bond fund, the family on the other side of the world that has savings, that is the money that buys our debt.

Ray Dalio, the Bridgewater founder, has written these articles that say we have a problem. The basis of the problem is there is not enough capital in the world to deal with the bingeing of debt coming from the United States and coming from China. Now it is starting to come from Europe. In Germany, it looks like they are going to be lifting their debt cap.

When we borrow, we are also competing with other countries in the world. The United States, I think, is now maybe 13, maybe number 12 on the credit stack. Think of this. I believe Greece can sell a 10-year bond cheaper than the United States. That is worth thinking about.

Let's actually walk through what is going on right now with the reconciliation budget. Let's sort of explain. Why do we do the reconciliation budget? The Budget Control Act of 1974 created this mechanism that if we are going to cut spending—and it gives us one of the few times in life where we can actually work on mandatory spending, the things that are on autopilot.

For most Members of Congress in their entire career, everything they vote on is borrowed money. When we vote on defense, when we vote on non-defense discretionary, the things we do get to vote on, every dime of it is all borrowed. Last year, about \$300 billion or \$400 billion of mandatory, earned benefits, those things were on borrowed money.

Mr. Speaker, start to understand. Here is what is going on. You have heard we are doing these reconciliation budgets, because that is a whole mechanism to be able to move something through the Senate, where only 51 votes are needed so it doesn't hit that 60-vote filibuster. That is the real reason we do this whole dance.

Remember how many people are so upset. David, you are going to cut spending over the next 10 years. This is the baseline money. We are scheduled to spend \$86 trillion over the next 10 years. At best, the House resolution adds \$2 trillion of spending reductions and modernization over 10 years. \$86 trillion is the baseline spending. We are talking about trying to trim \$2 trillion out of the \$86 trillion. This causes people to lose their minds.

Have we lost our sanity in this country? We can't find—that is what—2.3 percent? Forgive my math. I am trying

to do it quickly. That is Armageddon? Does that give us a sense of just how addicted the bureaucracies, the society, and the business models out there are to U.S. borrowing?

There was another thing that happened last week that really should have taken people's breath away. This is sort of behind the paywall. We have found other articles that write about it. Moody's Analytics, the people who study what is going on in economics and businesses, put out a paper that in 9 budget years, 30 percent of U.S. tax collections are going to go to just pay interest.

□ 2100

So, Mr. Speaker, you pay your \$100 in income taxes, 30 percent of it just went to interest, and this is before the Senate or what we are trying to do in the budget reconciliation.

Remember, Mr. Speaker, I am going to show you the Senate document is completely unserious. It piles on stunning amounts of debt.

Mr. Speaker, does this scare anyone that in 9 budget years, 30 percent of your taxes you pay go to just cover interest?

Am I just an idiot for coming behind this mike every week and trying to show the math?

I get my brothers and sisters around here:

That was interesting, DAVID. I am still going to vote for piling on more debt because, well, let's be honest, my voters want stuff, and I will be out of here by the time this blows up.

It probably doesn't blow up. What happens is you hit a moment where the money required to finance the debt like this consumes everything. You hit a moment.

I showed a chart a couple of months ago, 1 month ago, that showed if we went back to a six handle, so it is 6 percent interest rate on U.S. sovereign debt, which we were right up against in, what, the mid-, early 2000s, 2005 and 2006. We went to a 6 percent interest rate. About 45-plus percent of all U.S. taxes went just to cover interest. If we go to 9 percent, it is the majority of U.S. taxes go to cover just interest.

Part of that is because right now we are sitting what, \$29, \$30 trillion of publicly sold debt, so the actual debt is about 36.6 or something like that. We are in extraordinary measures so the actual debt number is a little distorted right now because we are borrowing internally and we have got to pay that all back. So watch interest rates pop when we finally raise the debt ceiling, and now we have to refund all that money back to the accounts plus the interest that they missed.

Mr. Speaker, you start to think about we have to refinance—and some of this gets refinanced two, three, four, or five times in a year because you are borrowing 30 days, 6 months, so we will refinance about \$9 trillion, and we are going to issue about two, \$2.2 trillion new debt.

Tiny movements of interest rates are really stressful. The Federal Reserve, what was it, 1 week or so ago, lowered their economic growth projections for the United States for the next 3 years. Just that lowering, I think they lowered us from like 2.1 to 1.7 percent this year, that is almost \$200 billion of tax receipts in a single year.

Just that movement of lowering down economic growth projections is more than we are talking about trying to reduce spending if you take it over 10 years. It is like this place is incapable of understanding the scale of the trouble we are in.

I have tried to show this a couple of times. I am not beating up anyone. I am just asking people. I desperately want to extend the 2017 tax reform. I was on the committee. I am one of only four or five people still on Ways and Means who actually helped to write the 2017 tax reform, and those portions expire at the end of this year. I believe it is the absolute right thing to extend them. We should just pay for it, because when we don't pay for it—our base number, now you are going to see two differences here. We are using the next 10 years, so that takes us to 2035.

The Senate budget, they did a gimmick. They used 2034. We couldn't figure out why we couldn't get the numbers to match up. They played a game. They only used 9 budget years.

We are scheduled to borrow over \$22 trillion over the next 10 years. If we do all the tax reform but don't do pay-fors, but add interest on it, that is another 6.8. If you basically add then a number of the President's additional priorities but don't pay for them, don't try to find a way, then you end up at \$74 trillion of borrowing in functionally 9 budget years, 10 years.

I am going to show you a couple of boards here, Mr. Speaker. If you actually add it up, we are functionally talking about almost doubling what took us 240 years in debt to build up, we are talking about doubling it, well, close to doubling it, in the next 9 years. Have we lost our minds?

This is what you heard a number of us fussing about, Mr. Speaker. We can't figure out what the Senate was thinking.

Were they just in avoidance of we don't want to tell anyone, we are going to try to do something that should not even be that hard.

Remember \$86 trillion in spending, the House was just trying to do 2, and I thought 2 was absolutely anemic. We should have covered all 4, \$4.5 trillion.

One of the hardest votes I made in my decade-plus here was standing right there and swallowing saying: I am going to vote for this, but I am really unhappy because we are capable of doing more. And if we don't start to telegraph to the bond markets we are going to do something serious, at what moment does the bond market say: Screw these people. They are just not serious. They are consuming the world's capital. Let's charge them more.

Mr. Speaker, do you really think the United States with our exorbitant privilege of having the world's reserve currency and being the country that people want to come and do their business in, move to put their capital in, do you think that is our birthright?

Remember, Mr. Speaker, up until World War II it was Great Britain that had the world's reserve currency.

We are squandering our place in the world. People run around saying: Well, we need to push down the value of the dollar.

You have trillions and trillions and trillions of dollars around the world that are held by people, and you are going to push down the value of their holdings. Just understand every time someone says something like that, Mr. Speaker, you can actually start to see the full faith in the United States start to taper away.

We are about to squander this extraordinary privilege we have because the world trades in our currency. They need to buy our debt because they need to hold our currency because that is what they do nominate in, that is what they trade in, and that is their peg.

If you look at this chart, Mr. Speaker, new Senate budget resolution, that is functionally another \$8.5 trillion in deficits.

Here is extending the tax cuts in 2017, and then they made a margin there for additional spending, either it be some of the other priorities, no tax on tips, no tax on overtime, those things, and then we have another \$520 billion in additional spending.

Can you see this line here, Mr. Speaker?

You can't really see it. It is \$3 billion of cuts. That is what they put on to their budget resolution. If we borrow \$6 billion a day and their budget resolution is 3, actually our borrowing is actually a little more than \$6 billion, it is 10, 12 hours of borrowing for an entire year, and this is for a 10-year budget. That is what they gave us.

Oh, but, David, when negotiations start, it will actually get filled in. Except we are negotiating—we put \$1.5 trillion of savings with the hope of getting to 2, and they give us \$3 billion. Remember, 1 trillion is 1,000 billion.

Mr. Speaker, you wonder why some of us are cranky when our colleagues down the Hall give us basically crap to work with.

Let's actually start to walk through what this actually means to us as a body. When we finished the last budget year, we were \$28 trillion of publicly held debt. That is the debt we have to sell. When you hear someone say \$37 trillion in debt, remember, Mr. Speaker, there is a portion of that we borrow internally. We reach in debt trust funds and other things. We borrow the money there. We pay interest on it.

People say: Oh, you borrowed my Social Security money. Yes, and they got actually a pretty good interest rate back.

Here is the baseline. Remember, Mr. Speaker, why is this not \$22 trillion? It is because they were using a 2034 number. We caught them playing a game there. Then they added another \$6.9 trillion on top of that, and what do you get, Mr. Speaker?

Here is what you get: Functionally when we all got elected this last November, the United States sovereign debt was around \$28 trillion. When we finish this 10-year cycle, we are going to add another \$28 trillion if we do what the Senate sent us. What took us 240 years to build up, we are going to double in the next 9 budget years, next 10 calendar years. Go team. That is the morality of this place.

People say: It is hard, DAVID, to explain to people that we need to modernize, we need to change the way we deliver services, we need to use technology, and some programs we should just stop because they have been outdated for decades.

This is important here. This is without any of the disaster aid, this is without the economic potential slowdown, so tax receipts are coming down, and this is without a war. I mean just using actually what were optimistic numbers of the next 10 years' tax receipts, and what we are talking about doing right now is over the next 10 years doubling what took us 240 years to build up in debt.

□ 2110

Does anyone care about your retirement? Does anyone have kids? Think of this: It may be insane—my wife is my age—but I have a 9-year-old daughter and a 2½-year-old little boy we have adopted. Yes, they are brother and sister, so that explains it.

When my little boy is 24, 25 years old, every tax in the United States, every tax, has to double just to maintain baseline services. We are raising kids that would be part of the first generation to be structurally poorer than their parents because when you borrow money, it is a tax. It just means you are going to let someone else pay it with interest. It is not free money. It is a tax.

Sometimes taking on a certain amount of debt is what you have to do because the thing that Republicans and Democrats are terrified to tell our voters is, in the next 10 years, almost 100 percent of U.S. sovereign debt is interest and Medicare. It is demographics. We got old.

Mr. Speaker, one of the things going on in the entire Western world and also here in the United States, we don't have enough young people. If you look at our demographics—when you hear people talk about that, as soon as I say “demographics,” I know people turn the channel. There is a very good chance that, in the last 12 months, we had more deaths than births. It wasn't supposed to happen for 7.5 years, according to the Census Bureau, but there are a couple of datasets out there saying we may be up against already having more deaths than births.

Understand the way we deliver and finance the earned entitlements, the earned benefits. Today's worker pays for today's retirees. Last week, I showed a number of charts that, those numbers in 10, 20 years, it is you and your partner, you and your spouse and a little bit more, you have your own retired person you are paying for. That is not Republican or Democrat. It is demographics.

In 2033, so 7.5 years from now, the Social Security trust fund is empty. The law says you cut benefits. That would be a 21 percent cut, meaning in 8 years, we double senior poverty in America. Yet, if you talk about how you want to try to save Social Security and all the steps you have to do, all the inputs, because it turns out it is complicated, that side over there is going to run attack ads beating the crap out of you because you mentioned the words "Social Security" even though you are trying not to double senior poverty. That is how immoral this place is.

Remember, our math from last year is the first full year with the Social Security trust fund gone. Just the shortfall is over \$600 billion. The scale of what we are talking about is brutal.

Mr. Speaker, you intend to be here for another decade, so you are going to get to deal with it. Every day we wait, that math gets more and more difficult.

Let's go back to the Senate's reconciliation budget. Here is what they gave us. They are using a 2024 gross debt number of \$21 trillion. It is really \$22 trillion, but we will let them because they made up some numbers in their budget.

Remember, they played some games on growth projections. Functionally, 32.7 percent of the next decade they gave us is additional borrowing. They basically decided that, over the next decade, let's add another third of debt.

What are we going to do? For those of us in the House who give these beautiful speeches that it is immoral to do this to our kids and crush people's future retirements, what are we going to do? Are we going to step up and say: Look, Republicans, we have priorities. The White House has priorities. We just have to find ways to finance them.

Are we that terrified to tell the truth?

A couple more of these, and hopefully, I won't have bored everyone to death. The Senate budget provides for \$5-plus trillion in new deficits over the next 10 years. Then, you add in the additional spending. You start to go over. Even our budget reconciliation, I thought, was unacceptable.

It was one of the hardest votes I made, and I can't make up my mind how much I regret it. Sometimes, I really regret it. Some moments, I am hoping that the leadership team that said they would work with me—because I believe we can find a trillion dollars in savings in just modernization. Remember, those inefficiencies are the people's business models, so

you already see the hallways full of lobbyists trying to stop them.

Take a look here. Here is the debt we were going to add. Here is the additional debt the Senate adds. They made it functionally even double what we were talking about. Increasing the deficit results in higher interest costs. This is one of the things. We forget to tell people the truth.

There is a model out there—CBO actually ran it for me—saying if interest rates went up 1 percent on this policy baseline, and I am tired of talking about it, in the 30-year window, you broke the Congressional Budget Office's model. Let me say that again. We broke the CBO's model. It went over 250 percent. The problem is their computer only goes to 250 percent. It just hit it.

We are now pushing levels of debt so high we are breaking our budget models. Go team. Even with what the Senate just gave us over that 10-year period of time, stack on another \$1.1 trillion of interest. We didn't buy anything. It is just interest.

The House proposed trying to get to \$2 trillion in spending reductions. Dear heaven, I hope we can be tough enough and disciplined enough to get there. I have produced all sorts of documents. I am not one of those people giving speeches. I am showing up with binders of ways you can get there. Much of it isn't cuts. It is just using technology to change the way we deliver services.

The Senate, remember, a billion dollars and a trillion dollars are very, very different things. They functionally gave us \$4 billion in spending reductions. That is what they thought we were worth.

Mr. Speaker, I know I am being a bit redundant on these boards, but I am trying to make a point. We sure give a lot of great speeches around here of the greatest threat to our Republic. It turns out to be the scale and the speed we are burying this society in debt.

Then, we hit moments like this, and we are going to happy talk our way through it. We are going to lie about things. Oh, we are going to make up a pretend growth rate, and that is going to produce \$2.6 trillion. Our own reconciliation budget, there is going to be \$1.7 trillion of additional cuts in discretionary, but you can't really do that in a reconciliation budget. It is completely unenforceable.

We should be ashamed of ourselves. Look at something like this. Understand the scale of what the Senate—you know, the 2017 tax reform, in its full score of debt, it turns out to have come in at less than half that. Take a look at the CARES Act, the American Rescue Plan, and all these things that we as Republicans railed against because of the data produced. This is the Senate reconciliation budget.

Do you see why I am angry or disappointed or just bewildered? These are tax cut extensions without trying to make any attempt to pay for it.

Remember how a moment ago I was telling you we start to break the budget models?

□ 2120

The driver of our debt ultimately is our demographics. The left will say: No, Republicans need to tax people more. Okay. Yet, we have shown the studies over and over that every Democratic tax that has actually been proposed and scored produces about 1.5 percent of GDP. The cuts we have talked about are about 1 percent of GDP. You have a big 2.5 percent there if we both did everything.

Mr. Speaker, we are scheduled to borrow about 7.3 percent of the economy this year. Does anyone see a math problem?

Why is it so hard around here to tell the truth? We say things that are just not mathematically true. My family used to have a saying: At some point, the math is going to win, and it always does.

Mr. Speaker, thank you for tolerating a bit of my rant, but it is my way of just saying how disappointed I am with even my friends. I have a couple of really good friends who are over in the Senate, and they were just desperate to avoid doing what was difficult, so they threw it in our lap.

Mr. Speaker, we as House Members get to make a decision: Are we going to do what is right and moral and what actually sets up the future for economic growth?

Very last point. Almost 2 months ago, the Congressional Budget Office did a model that says, if you want to maximize growth over the next decade, pay for as much of the tax extensions as you can. Do them because that will maintain consumption. You don't get a lot of growth from it. Where you really get the growth is the expensing side and continuing some of the business tax, the passthrough tax portions. Yet, if you pay for it, you don't screw up the capital stack, the money that you borrow for your small business, for your home, or for your car.

It looks like we are going to screw it all up. Let's not let that happen, Mr. Speaker.

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

ADJOURNMENT

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

The motion was agreed to; accordingly (at 9 o'clock and 21 minutes p.m.), under its previous order, the House adjourned until tomorrow, Tuesday, April 8, 2025, at 10 a.m. for morning-hour debate.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XIV, executive communications were taken from the Speaker's table and referred as follows:

EC-678. A letter from the Associate Director, Regulatory Management Division, Environmental Protection Agency, transmitting