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House of Representatives

The House met at 12:30 p.m. and was called to order by the Speaker pro tempore (Mr. BALLENGER).

DESIGNATION OF SPEAKER PRO TEMPORE

The SPEAKER pro tempore laid before the House the following communication from the Speaker:

WASHINGTON, DC,
February 5, 2002.

I hereby appoint the Honorable CASS BALLENGER to act as Speaker pro tempore on this day.

J. DENNIS HASTERT,
Speaker of the House of Representatives.

MORNING HOUR DEBATES

The SPEAKER pro tempore. Pursuant to the order of the House of January 23, 2002, the Chair will now recognize Members from lists submitted by the majority and minority leaders for morning hour debates. The Chair will alternate recognition between the parties, with each party limited to not to exceed 30 minutes, and each Member, except the majority leader, the minority leader, or the minority whip, limited to not to exceed 5 minutes.

The Chair recognizes the gentleman from Oregon (Mr. DEFAZIO) for 5 minutes.

THE BUSH BUDGET

Mr. DEFAZIO. Mr. Speaker, we have gotten the President's glossified 2003 budget, complete with color photos, for the first time. What a difference a year makes, not only in the format but in the content. A year ago, the President and the Office of Management and Budget said, there are surpluses as far as the eye can see, at least for the next 10 years, huge and growing surpluses.

A few of us were dubious about predicting the economy 10 years out and about this rosy scenario, but in any

case they persisted. They went on to also say, "We're going to create a lockbox for all of the Social Security surplus, \$2.5 trillion. We're going to create a lockbox for all of the Medicare trust fund surplus." And they were concerned that we would retire the \$6 trillion national debt too quickly. They were worried about that.

Well, here we are a year later and rather than paying down the debt too quickly, as was projected last year, the Bush budget will create an additional \$2 trillion of deficit by 2012, if you do not take the Social Security and Medicare trust funds and spend them, which, of course, he proposes to do. The President's budget would divert all of the Medicare surplus and 60 percent, or \$1.5 trillion, that is \$1,500 billion for those who cannot go to the Ts, of the Social Security surplus to pay for other government programs.

What are the causes of this? We would be led to believe there is only one cause, the attacks on America. Let us look at the real underlying causes. Actually, the disappearance of the surplus is due to, and these are figures from the Congressional Budget Office which is headed by a Republican, 41 percent are due to the tax cut, 23 percent are due to the recession, 10 percent increased military spending, 8 percent increased spending for homeland security, and 16 percent technical adjustments.

What is the reaction down at the White House? The reaction at the White House is, "Let's make those tax cuts," which are contributing 41 percent of the increase in deficit, "let's make them permanent. Let's in fact expand them." That is what the President's budget proposes. So that those who earn over \$383,000 a year and those with estates over \$5 million will be assured that the laughable assumption in last year's budget that their tax cuts will be sunsetted after 10 years and everything, all the tax cuts, will be going

away; let's make those permanent with the strange exception of one that would particularly benefit the middle class, which has to do with a complicated computation of an alternative tax for individuals, that one does not get made permanent.

But the exemption of estates over \$5 million does, and the huge reduction in rates for people who earn over \$383,000. At what cost? At tremendous cost. The cost is a whole host of reductions in worthy domestic programs which the President has proposed in this year's budget hidden sort of in the appendices and the asterisks and some obfuscation here and there; but there are cuts in education, there are cuts in needed social programs. There is inadequate funding for a prescription drug benefit for people on Medicare, with no cost controls on the pharmaceutical industry. Basically, the program would tend to very, very few seniors' needs. But all this is being done so that the tax cuts can be made permanent.

Usually, when a country is under attack, Presidents call for sacrifice; and many Americans and many in Congress agree with that, homeland security, necessary expenditures to arm our young men and women serving so valiantly in the military. There is tremendous agreement on those. But let us also make our economic future secure. Unfortunately, the only security in the President's budget goes to, again, those at the very top, those who earn over \$383,000 a year, and those who have estates worth more than \$5 million.

If you just froze the benefits for those people, the elite of the elite, the richest of the rich, those who do not care about Social Security, do not care about a prescription drug benefit, do not care about education funding because their kids go to private schools, if you just froze those people in place so they contributed a little bit more in this time of sacrifice and attack on the United States of America, then you

□ This symbol represents the time of day during the House proceedings, e.g., □ 1407 is 2:07 p.m.

Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.



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