

begin the process of establishing modern dial exchanges. The Hazleton exchange became the first to be cut over to modern dial service on March 3, 1956. BEK continued to grow and prosper throughout the 1950's and 1960's. In April 1967, a third REA loan enabled BEK to begin upgrading its system to one party service. By June 10, 1977, all of BEK's 12 exchanges had been upgraded to one-party service.

What began as a dream in the minds of rural residents 50 years ago has evolved into a diverse, state-of-the-art telecommunications company serving 6,000 members across 5,700 square miles in a six-county area. Today BEK Communications provides many basic and advanced services including: local and long distance telephone service, dial-up and high speed Internet access, using DSL & satellite technologies, advanced intelligent network features, ISDN, dedicated data circuits, voice mail, automated attendant functions, centrex and more.

BEK's success and its commitment to providing exemplary telecommunications services to its members is indicative of all the rural telecommunications carriers that make up the membership of the National Telecommunications Cooperative Association. NTCA's membership has expanded from eight members in seven States to 558 members spread across 45 States. These small rural telecommunications systems provide voice services to approximately 3,270,000 subscribers over a combined territory comprising some 40 percent of the geographic United States. On average, NTCA member-companies serve rural areas with a population density averaging between one to five customers per square mile, a sharp contrast from the Bell companies average of 130 customers per square mile. Today, NTCA member-companies on average serve 5,100 subscribers. In addition to their traditional voice offerings, most are also engaged in the provision of some combination of Internet, wireless, long distance, paging, and cable or satellite television services.

Through it all, NTCA members have maintained that local touch that can only be found by folks serving their friends and neighbors. With the financial assistance of the Rural Utilities Service, NTCA members remain on the cutting edge of technology by expanding broadband opportunities through such means as fiber-to-the-home projects in communities across this country. NTCA rural telecommunications companies continue to connect the heartland of America to the world. NTCA and its 558 member-companies should be commended for their ever present commitment to rural America.

Happy 50th Anniversary, NTCA. ●

MESSAGES FROM THE PRESIDENT

Messages from the President of the United States were communicated to the Senate by Ms. Evans, one of his secretaries.

EXECUTIVE MESSAGES REFERRED

As in executive session the Presiding Officer laid before the Senate messages from the President of the United States submitting sundry nominations which were referred to the appropriate committees.

(The nominations received today are printed at the end of the Senate proceedings.)

TRANSMITTING THE BUDGET OF THE UNITED STATES GOVERNMENT FOR FISCAL YEAR 2005—PM 62

The Presiding Officer laid before the Senate the following message from the President of the United States, together with an accompanying report; which was referred jointly to the Committees on Appropriations and on the Budget:

The Budget I am proposing for 2005 is a reflection of this Nation's goals and purpose, and advances our three highest priorities. First, America will prevail in the War on Terror by defeating terrorists and their supporters. Second, we will continue to strengthen our homeland defenses. Third, this Nation is building on the economic recovery that began in earnest in 2003 with policies that further promote growth and job creation. In addition, we will continue to strengthen the domestic institutions that best express our values, and serve the basic needs of all: good schools, quality and affordable health care, and programs that promote hope and compassion in our communities. In meeting these priorities, the Government must exercise fiscal responsibility by limiting spending growth, focusing on the results of Government programs, and cutting wasteful spending.

In 2003, America made great progress in the War on Terror. Afghanistan, which once was ruled by the repressive Taliban regime, now has adopted a new constitution, taking a fundamental step on the path to democracy. In Iraq, the remnants of the Ba'athist regime are being systematically rounded up, and Iraqis are assuming responsibility for their own security and future government. Libya has pledged to disclose and dismantle all of the regime's weapons of mass destruction programs.

These victories do not change a fundamental truth: Our Nation remains at war. In this war, which began on September 11, 2001, our citizens are the strategic targets of our enemy. We have responded in two significant ways: First, we have taken the offensive to hunt down the terrorists, deny them easy refuge, identify and seize their secret finances, and hold them and their sponsors to account. Second, we have moved to secure the Nation's homeland. In 2003, the new Department of Homeland Security began operations in the biggest reorganization of the Federal Government in half a century. Over this past year, we have taken

steps to reduce the terrorist threat to Americans here at home, and protect American interests overseas. This Nation has committed itself to the long war against terror. And we will see that war to its inevitable conclusion: The destruction of the terrorists.

Our Budget reflects the continuing importance of providing for the defense and security of the American people. We will continue to provide whatever it takes to defend our country by fully supporting our military, which is performing with great skill and honor in our battles overseas. We also are providing the necessary resources to our law enforcement and emergency personnel at home to meet the new threats posed by terrorists.

Just as we have taken much-needed steps to strengthen our national security, we have also pursued an aggressive agenda to promote our economic security. In 2003, we worked with the Congress to accelerate much of the tax relief that had been passed in 2001, so that Americans could keep more of their paychecks and so that businesses would have more incentive to invest in new jobs and new equipment. As a result, our economy is strong, and growing stronger. Economic output in the third quarter rose at its fastest annual pace in nearly 20 years. More manufacturers reported rising factory activity than at any point in the last 20 years. American homeownership reached its highest level ever. Employment is on the rise. By cutting tax rates on investment gains and dividend payments, we promoted saving, capital formation, and investment—and Americans' holdings in the stock market rose by almost \$3 trillion.

There is still more to do, however. We cannot be satisfied until every American looking for work has found a job. We must sustain the momentum of this recovery by making the tax relief passed in 2001 and 2003 permanent. We will continue to open markets abroad for American products. And as the economy improves, we will also confront the challenge faced by workers who must learn new skills to fill new jobs. As a Nation, we must help Americans develop the skills they need to succeed in a highly competitive, highly productive economy. And so this budget continues to support high standards in our schools and proposes a Jobs for the 21st Century initiative to ensure older students and adults can gain the skills they need to find work now.

Economic growth and good stewardship of taxpayer dollars will help us meet another important priority: Cutting the budget deficit brought on by recession and war. We must continue to evaluate each Federal program, to make sure that it meets its goals, and produces the desired results. I propose to hold discretionary spending growth below four percent, less than the average rate of growth of American family incomes. And spending unrelated to defense and homeland security will be held below one percent growth—less