

getting back on its feet, blaming tax cuts for all the red ink when we know because of two wars, when we know because of the gut-punch of 9-11, when we know because of the bail-out of the economic crisis that occurred after the terrorists attacks, that we know because of huge increases for defense and homeland security, appropriately so, to protect the country, we have had to borrow money. We borrowed money deliberately, at a time with interest rates being very low, to do two important things: make sure that our country was protected and make sure that our economy could get back on its feet and start growing again.

Well, our country is protected and continues to be protected; and we will all do whatever it takes to make sure it continues to be protected. But we also have to make sure that it continues to grow, because while we can be secure in our border, we also have to be secure around the kitchen tables of North Dakota and Iowa and the rest of the country. We want to make sure those families who are faced with sometimes much more perplexing issues than what we face here in Congress, like how am I going to pay for college; and how am I going to pay for the health care bills; and how am I going to deal with clothing my kids when I have been out of work for a little while, those are important issues that they face, and we want to make sure they have all of the resources necessary in order to make those important decisions around their kitchen tables with their families.

The only way to do that is to continue the policy which has worked, which has gotten our economy back on its feet, and will continue to work if we allow it to do so, without being hamstrung by a special Senate rule that only stands in the way of making sure that those tax cuts can be predictable, that they can be permanent, and they can continue the job of making sure the economy grows.

Let us vote down this special rule that will only cause tax increases in the future, and let us support the underlying budget which controls spending, which grows the economy, and which makes sure our country is protected. That is the budget we need to pass. We do not need to have a Senate rule, a rule from the other body to tie our hands for tax reform, tax relief, tax simplification in the future. That is what the gentleman, unfortunately, and probably inadvertently, would accomplish if, in fact, this plan passed. He wants to continue to support tax cuts; so do we. We want the economy to continue to grow, and the only way to do that is to vote down this motion to instruct.

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

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Mr. POMEROY. Mr. Speaker, I yield myself such time as required to close and I will speak from the other podium.

I thank my friend from Iowa, the chairman of the Committee on the Budget, for joining in this spirited debate, but to any one of our colleagues watching, there is something that we know for sure and that is that bluster does not cover facts. Energetic presentation of lots and lots of stuff does not mask an economic record reflected in these charts.

This is what has happened to the deficit during the last 2 years, and this is where we are going over the next 10 years.

Now, what we are seeking with this motion is budget enforcement ability to try and level out this deeply alarming trend line on national debt. Pay-as-you-go means that if you spend more, you have got to cut somewhere else; or if you cut taxes, you have got to cut spending and show where you do it; or if you cut taxes, you have got to raise taxes somewhere else. It has all got to work out in a zero-sum game. You cannot continue to make the budget situation worse.

We can get lost in the economics and the numbers, but I think it is helpful to just think of it this way. We pay as you go now, or our kids pay when we go later, because these things are not balancing out. Representations that tax cuts are producing more revenue are not at all borne out. The Federal revenues from individual income taxes in the year 2000 was \$1.4 trillion. The 2004 estimate is \$765 billion, almost down a quarter.

As you have revenues fall so precipitously, you have had the debt line grow so significantly. We have had some job numbers thrown out. The fact is we are down 1.6 million jobs. This administration is the first administration on track to have a net loss of jobs since Herbert Hoover was President, but those are issues for another day.

Let us just understand that if you like the economy of the 1990s better than the economy we have seen this decade, realize that throughout the 1990s we had pay-as-you-go budget enforcement, which meant we were trying to get a handle on national debt. We have absolutely lost our way when it comes to fiscal sanity, and that is why we have had this explosion of debt, a deficit leading to debt, and we have got to get our hands around it.

So I believe that if this House took the step of instructing conferees to go with what the Senate has passed, and that is a bipartisan vote to embrace this pay-as-you-go requirement, we can once again get on track. This has been the very issue that has received bipartisan agreement in the past, 1990, 1995, 1997, and now it is time in 2004 for us to do it once again.

It is time for us to do this for our children. We put pay-as-you-go in the budget or it is you pay when we go to our children. As a father of an 8- and a 10-year old back home in Bismarck, North Dakota, I know we owe them a good deal better than this, a very unstable fiscal situation just when baby

boomers retire and start drawing on Medicare and Social Security. We could turn this around, and passing this motion is the place to do it.

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

The SPEAKER pro tempore (Mr. CHOCOLA). Without objection, the previous question is ordered on the motion to instruct.

There was no objection.

The SPEAKER pro tempore. The question is on the motion to instruct offered by the gentleman from North Dakota (Mr. POMEROY).

The question was taken; and the Speaker pro tempore announced that the noes appeared to have it.

Mr. POMEROY. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The SPEAKER pro tempore. Pursuant to clause 8 of rule XX, further proceedings on this motion will be postponed.

#### GENERAL LEAVE

Mr. DEFAZIO. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks and include extraneous material on the subject of the Special Order of the gentleman from Michigan (Mr. STUPAK).

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

There was no objection.

#### SPECIAL ORDERS

The SPEAKER pro tempore. Under the Speaker's announced policy of January 7, 2003, and under a previous order of the House, the following Members will be recognized for 5 minutes each.

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Virginia (Mr. GOODLATTE) is recognized for 5 minutes.

(Mr. GOODLATTE addressed the House. His remarks will appear hereafter in the Extensions of Remarks.)

#### ORDER OF BUSINESS

Mr. HENSARLING. Mr. Speaker, I ask unanimous consent to take my 5 minute Special Order at this time.

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

There was no objection.

#### WASHINGTON WASTE WATCHERS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Texas (Mr. HENSARLING) is recognized for 5 minutes.

Mr. HENSARLING. Mr. Speaker, I rise again as part of the Washington Waste Watchers, a Republican working group dedicated to rooting out the

rampant waste, fraud, and abuse in the Federal Government.

Despite a major economic recovery underway, rising employment, new jobs and historic rates of home ownership, Democrats keep demanding that we take away the tax relief, take away the tax relief that is responsible for this unparalleled growth in our economy, the tax relief that is bringing down the unemployment.

The tax relief, if it were a line item in the budget, amounts to 1 percent, 1 percent of the \$28.3 trillion 10-year spending plan approved last year. In other words, 99 percent of our fiscal challenges are on the spending side. And, Mr. Speaker, that is where we need to focus our attention, and by any measure, spending is out of control in Washington.

For only the fourth time in the history of our Nation, the Federal Government is now spending \$20,000 per household. Mr. Speaker, it is up from just \$16,000 just 5 years ago, representing the largest expansion of the Federal Government in 50 years.

We have a spending problem, not a taxing problem, and now is not the time to raise taxes again on American families and small businesses, as Democrats seek to do. Instead, it is time to take the trash out in Washington. Let me give my colleagues just a few examples of typical waste, fraud, and abuse in government that we found just this week.

The Interior Department's Inspector General discovered that the Bureau of Indian Affairs accepted inflated school enrollment estimates that resulted in the construction of schools that were larger than required. The Bureau spent \$37 million for unneeded school space and has future plans to spend an additional \$74 million for even more excess school space. This wasteful use of our tax dollars occurred because the Bureau had not developed or implemented simple policies to count students. And yet Democrats want to raise our taxes to pay for even more of this? One hundred and eleven million dollars of the American people's hard-earned money down the drain. That is enough money to outfit 3,700 Humvees in Iraq with armor plating.

Additionally, the Department of Transportation's Inspector General stated that if the Department simply imposed better oversight on projects from start to finish and aggressively fought gas-tax evasion, the Department could save billions of dollars. In fact, if the efficiency with which the Federal Government and the States invested \$700 billion in highway projects was improved by only 1 percent, an additional \$7 billion would be available, and that could fund 8 out of the 15 active major highway projects today.

This is especially relevant because the House voted recently to approve a \$284 billion highway bill that will force Congress to either increase the deficit or raise gas taxes to pay for it.

Next, Mr. Speaker, just this week the GAO announced that the government

paid \$169,000 in fees to unaccredited schools for bogus graduate degrees for Federal employees. I mean, that is a blatant violation of Federal law. The General Accounting Office said this amount was actually an understatement and that it is impossible to verify the true cost of this fraud because the Federal agencies do not have systems to verify academic degrees and because they do not accurately account for these expenses. In fact, the Department of Health and Human Services, when asked by the General Accounting Office to verify expenses on degrees, said they could not produce them because they maintain such large volumes of information in five different accounting systems.

One hundred sixty-nine thousand dollars on bogus degrees. That is enough money to protect over 100 of our American soldiers in Iraq with Kevlar vests.

Mr. Speaker, the list goes on and on; so does the waste, the fraud, the abuse and the duplication, and this has been going on for decades.

The problem is, we now have over 10,000 Federal programs spread across 5- to 600 agencies with little accountability to anyone, and when you just scratch the surface a little bit, what you discover is that so many of these programs routinely waste 5, 10, even 20, 25 percent of their taxpayer-funded budgets, and have for decades.

Republicans are working hard to root out this senseless waste of American tax dollars, but too many of our Democrat colleagues keep fighting us every step of the way. Last year, our Committee on the Budget approved a budget asking for authorizing committees to identify 1 percent of waste, fraud and abuse, just 1 percent. Yet the Democrat leaders ridiculed and reviled our efforts. One Democrat leader termed it "a senseless and irresponsible exercise."

Mr. Speaker, I am sure that most Americans disagree. With the Nation at war and with a large budget deficit, there is no better time to root out this waste, fraud and abuse than now, because when it comes to Federal programs it is not how much money Washington spends that counts, it is how Washington spends the money.

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Ohio (Mr. BROWN) is recognized for 5 minutes.

(Mr. BROWN of Ohio addressed the House. His remarks will appear hereafter in the Extensions of Remarks.)

#### EXCHANGE OF SPECIAL ORDER TIME

Mr. DEFAZIO. Mr. Speaker, I ask unanimous consent to replace the gentleman from Ohio (Mr. BROWN).

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

There was no objection.

#### RESPONSE TO THE WASHINGTON WASTE WATCHERS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Oregon (Mr. DEFAZIO) is recognized for 5 minutes.

Mr. DEFAZIO. Mr. Speaker, well, that was interesting. Now if only the Republicans controlled the White House, the House of Representatives and the Senate, they would take care of this waste, fraud and abuse at the agencies.

Many of the things the gentleman talked about are due to administrative mismanagement. If only George Bush was a Republican and they controlled the White House. Whoops. He is and they do. If only they controlled the House of Representatives. Well, they do; and the Senate. They control the entire Federal Government, and he comes up here and talks about the waste, fraud and abuse that he would eliminate if only they were in charge. Well, they are in charge. Why do they not eliminate it?

They never bring bills to the floor to deal with waste, fraud and abuse. He talked about a few things that could provide a little bit of help for the troops. Let me talk about things that could provide a lot for the troops.

Comanche helicopters, a scandal that has been going on starting with the Democratic administration and Republican Congress but continued under the Republican administration; \$9 billion wasted. Finally canceled. No products. How many Humvees and sets of armor could we buy for that? Tens of thousands, hundreds of thousands of sets of armor and armored Humvees which, guess what, Donald Rumsfeld did not order. That is why we do not have them, not because there is not enough money in the Pentagon budget.

They did not order what we needed to protect our troops because they did not predict what would happen because Rumsfeld would not read the reports from the State Department intelligence folks and from the CIA. He had Ahmed Chalabi, his favorite convicted felon from Jordan, who was feeding him information that he was paid to give, that he admitted was false.

Then there is the \$2 billion Crusader cannon, canceled. No product. How many sets of armored Humvees could we buy for \$2 billion?

Then, of course, the \$100 billion Star Wars fantasy. The Republican majority and the President want to spend \$10 billion this year to deploy a missile defense system that does not work, according to the Pentagon itself; is untested, cannot even intercept a missile on a trajectory without decoys; \$10 billion. Twice what we will spend defending all the borders and all the ports of the United States of America against the real threats, the new threats, the terrorist threats that these people are ignoring because they are worried that some suicidal maniac is going to shoot one missile at the United States, like Kim Jong Il who does not have any