basically lay the groundwork, if you will, for doing health care differently. If the emphasis is on prevention, if the emphasis is on wellness, if the emphasis is on new technologies that bring costs down because you can do things more effectively, then not only do you have less mistakes and a more efficient system, but you have a system that ultimately costs less money.

ECONOMIC STIMULUS II—MORE DEBT

The SPEAKER pro tempore. The Chair recognizes the gentleman from Florida (Mr. STEARNS) for 5 minutes.

Mr. STEARNS. Madam Speaker, with America facing an almost 8 percent unemployment rate, record low consumer confidence, and this country's worst economic downturn since the beginning of World War II, our Nation needs a real economic stimulus package that will give tax relief to hurting American businesses, create long-term sustainable job growth, and provide real permanent tax relief to American families. What this country does not need is the Federal Government increasing our national debt to record levels, burying our children and our grandchildren under a mountain of debt.

This Democrat spending plan is simply not stimulative. According to CBO, the plan includes over $600 billion in new spending. There are some tax cuts, but of the $816 billion in the program, the majority is for new spending, from 2009 to 2019. While this plan is aimed at quickly injecting government cash into the economy, only 15 percent of the spending will occur during this fiscal year, and only 37 percent of the spending will occur in fiscal year 2010. This means that over half of the plan's spending will occur starting in the year 2011, hardly a quick injection into the lagging economy as promised by the Democrat authors.

Many have looked to our economic history to provide guidance for us today during this difficult time. Particularly, they've looked at the New Deal under President Roosevelt. Unfortunately, what many economists have found is that the New Deal principles are stale ideas that do not translate into economic stimulus for our economy in the 21st century.

First, the Great Depression began in 1929 and did not end until 1940. And the stock market did not return to the level of September 3, 1929, until 1954. If today's economy were to go through a similar recovery, we would not fully escape the current recession until the year 2018, and the Dow would not reach its high of 2007 until the year 2032.

Secondly, many economists note that during the Great Depression the United States did not actually have much of an expansionary fiscal policy. As Tyler Cowen stated in the New York Times article, The New Deal Didn't Always Work, Either, ''Under President Herbert Hoover and continuing with Roosevelt, the Federal Government increased income taxes, excise taxes, inheritance taxes, corporate income tax, holding company taxes and 'excess profits' taxes. When all of these tax increases are taken into account, the New Deal fiscal policy didn't do much to promote recovery.''

This legislation is also an unprecedented expansion of the nation's debt burden. The U.S. is projected to have a $1.2 trillion deficit in FY 2009 even without the enactment of any stimulus legislation. As a percentage of GDP, the projected FY 2009 deficit (8.3% of GDP) is considerably larger than any deficit during the Great Depression (the highest was 5.4% of GDP in 1934).

The year 2008 could easily be defined as the year of the bailout. The months have passed in a torrent of troubling government "rescues" of private sector financial firms. Those bailouts have come at a great price and have exposed American taxpayers to vast financial risk. And in a financial crisis, such as the one we are now facing, bailout after bailout is quite simply not a good strategy for recovery.

Since October of 2008, the U.S. Treasury has committed $350 billion in public funds to private financial institutions, many of which have utilized reckless investment strategies, through the Troubled Asset Relief Program (TARP).

Specifically, insurance giant AIG has received $40 billion, Citigroup—which just tried to spend $50 billion on a luxury corporate jet—has received $20 billion, an additional $20 billion has been given to the Federal Reserve, and $250 billion has gone to large national banks in the form of direct capital injections. Even more troubling is the $23 billion of these TARP funds, which has been allocated to bail out automobile manufacturers such as General Motors and Chrysler. This type of government intervention in the private sector is unprecedented and has put us on a precarious path to socialism.

Given the massive amount of money the Federal Government has spent on bailouts since March of 2008, along with the ever-increasing debt level, it is unconscionable to continue committing good money after bad. This money belongs to the American taxpayer, and now, more than ever, we must rein in this out-of-control government spending for our future generations who will have to pay back this irresponsible debt accumulation.

Madam Speaker, we need to turn off the government spigot of Federal funding into non-stimulative debt spending. It is time for Congress to pass a real economic stimulus package that will give tax relief to hurting American businesses, create long-term sustainable growth, and provide real permanent tax relief to American families.

THE LAW OF UNINTENDED CONSEQUENCES

The SPEAKER pro tempore. The Chair recognizes the gentleman from California (Mr. MCCLINTOCK) for 5 minutes.

Mr. MCCLINTOCK. Madam Speaker, I'd like to offer a word of caution about the law of unintended consequences.

Last week, this House passed the administration's proposal to allow homeowners to force banks to reduce the size of their mortgages and their interest payments.

Well, there are millions of families, including my own I might add, who now owe more on our mortgages than our homes are worth, and yet more than 90 percent of homeowners continue to make our mortgage payments in hopes of better days to come.

Question: How many of these people who have been faithfully making their mortgage payments will now take advantage of this new law to reduce their mortgage debt by tens or even hundreds of thousands of dollars?

And while we're at it, here's another question. As these borrowers decide to cash in on this windfall, how many additional banks will fold as the value of these otherwise perfectly sound mortgages is crammed down by this new law?

And a final question: How high will the surviving banks raise their interest rates and down payment requirements to protect themselves against future governmental interventions?

I'm afraid that all we will have done is to create a society where fewer banks will be able to make loans and fewer home buyers will be able to access loans and produce an additional downward spiral in home values.

Madam Speaker, the law of unintended consequences is beyond Congress' jurisdiction, and we would do well to heed it.

RECESS

The SPEAKER pro tempore. Pursuant to clause 12(a) of rule I, the Chair declares the House in recess until noon today.

Accordingly (at 10 o'clock and 55 minutes a.m.), the House stood in recess until noon.

□ 1200

AFTER RECESS

The recess having expired, the House was called to order by the Speaker pro tempore (Mr. PASTOR of Arizona) at noon.

PRAYER

Reverend Lawrence L. Vollink offered the following prayer:

Always, Lord God, You have been our help in days past. You have been our hope for the days ahead. We are so overwhelmed that out of Your love, You lead us, You protect us, You sustain us, and You bring comfort to Your people, sometimes miraculously, and at other times, from a distance. And to us has been given that sacred trust to bring honor and goodness to all people.

We again ask for Your wisdom to be given to our Representatives as they