

⁸Consumer Federation of America. African Americans Pay Higher Auto Loan Rates but Can Take Steps to Reduce this Expense. Washington, DC, 2007.

⁹King, Tracy and Ellyne Bannon, The Burden of Borrowing: A Report on the Rising Rates of Student Loan Debt, State PIRGs' Higher Education Project, March 2002.

¹⁰Schloemer, E., Li, W., Ernst, K., & Keest, K. (2006). "Losing Ground: Foreclosures in the Subprime Market and Their Cost to Homeowners," Durham, NC: Center for Responsible Lending; Center for Responsible Lending. (2007). "Subprime Lending is a Net Drain on Homeownership." (CRL Issue Paper No. 14), Washington: DC: Center for Responsible Lending.

¹¹Oliver, Melvin L. and Thomas M. Shapiro, "Sub-prime as a Black Catastrophe," The American Prospect, October 2008, 11.

¹²Federal Reserve Board, Changes in U.S. Family Finances from 2004 to 2007: Evidence from the Survey of Consumer Finances, February 2009.

¹³Robles, Barbara, "Latino Entrepreneurship and Microbusinesses: A National and Border Economy Snapshot," AAPSS Blog, October 5, 2007 Survey of Business Owners, 2002 Economic Census, Department of Commerce, Bureau of the Census.

¹⁴Social Security Administration, Hispanics, Social Security, and Supplemental Security Income, Table 7, "Characteristics of Hispanic beneficiaries of Social Security and all beneficiaries," 2005.

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

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

ECONOMIC SCALE-BACK

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

Mr. ROE of Tennessee. When I was home this weekend in Johnson City, Tennessee, I met a few small business owners who are really feeling the effects of this economy. These are real people I'm going to introduce you to, not just some abstraction.

One is a fourth-generation owner of Glenn Wynne Paint and Wallpaper Company. Like many responsible small businessmen and women, he is trying to figure out how to keep his company long enough to ride out this economic mess we are in.

He did have 25 full-time employees for whom he provided benefits, including health care. First, he had to cut back on health care, and then he had to eliminate it altogether. Then he cut 15 percent of the workforce, and he reduced it again to 15 employees.

Finally, he cut 10 percent of the pay for all his employees, including himself. He even went so far as to cut out the \$90 a month he was paying for trash removal, choosing to haul the trash himself. He also cut out the cable TV in his business.

As he sees it, he's making tough economic decisions on how to keep his

company financially stable during this rough economic time. But he is astounded that people in Washington can't do the same thing, especially because help isn't being targeted for businesses like his that really need it. He sees this cap-and-trade tax as one that will just finally put him completely out of business.

Another individual I met has been in business for 35 years and has very, very little debt, which makes it easier for him to survive this crisis. He had to cut his staff from 50 down to 18 employees and cut unnecessary expenses.

What he's mad about is that while he hears talk about wanting to help small business, he still has hundreds, if not thousands, of dollars of fees to pay to OSHA and Tennessee's Department of Labor and Workforce Development.

As he sees it, large employers can afford these fees and weather the storm, but he doesn't see help for small business. He would like to see the government make it easier for small businesses to stay in business by easing up on the regulations when they can least afford it.

Of course, what I had to tell these two gentlemen was that you make too much sense to get your ideas heard here in Washington. We haven't tightened our belts at all, and definitely haven't gotten our financial house in order. We certainly haven't curtailed the unnecessary regulations on small business or reduced their fees to help them weather this economic storm.

It's time we started acting more responsibly and passed legislation that will stimulate economic growth and prevent our children from bearing the burden of this crushing debt we're racking up to pay for irresponsible choices of the present.

On top of this economic stimulus bill comes the President's budget, which spends too much, taxes too much, and borrows too much. That, ladies and gentlemen, may be the understatement of the week.

With a worsening economic crisis in the forecast, you would think we'd be talking about how some of the President's ambitious proposals could be scaled back. In fact, new economic numbers show larger deficits than the President originally predicted—and these numbers are already very significant.

Instead, the administration and its Democratic colleagues are insisting they will press ahead with the agenda undeterred, as though we don't have an economic crisis.

The President is not at fault for the State of our economy, and I know he is sincere in his desire to get us back on track. But it's important he acknowledge the impact of our current economic crisis on his agenda. The recession does impact his ability to spend billions upon billions of dollars to meet his priorities.

I think many Americans would take it as a positive sign if the President told the people frankly that because

we're in a recession, we have to scale back some on his agenda and focus all our efforts on restoring economic growth and creating jobs.

The American people will appreciate hearing this because it's what they're already doing. I think they would have much more confidence in our government if we acted just like them.

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PERSONAL RESPONSIBILITY

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

Mr. KRATOVIL. Mr. Speaker, I rise today in support of personal responsibility.

Over the last week, we have all expressed outrage over the bonuses paid to AIG executives. The truth of the matter, however, is, this is just the latest example of a lack of personal responsibility that is rampant within our Nation. As we attempt to recoup taxpayer dollars wrongfully used to pay for those bonuses, we also need to recognize that what has happened at AIG is a symptom of a much broader issue affecting our Nation; and, until we as a Nation come to grips with the problem and begin addressing it, we will face the consequences of AIG-like problems again and again.

The lack of personal responsibility in our Nation is not simply apparent at AIG; it is evident everywhere. It is evident in the actions of unscrupulous lenders, making money off of unwitting borrowers, knowing full well these borrowers are being set up for failure. It is evident in the actions of reckless investors who took on enormous debt in the hopes of turning a quick profit, but instead passed their debt along to the American people. It is evident in the corporate executives, who, despite having ultimate responsibility for their failing companies, have absolutely no problem taking bonuses while their own employees, stockholders, and American taxpayers pay the price for their failings.

It is evident in the views of some of our citizens who have benefited from the opportunities that wealth and privilege afford, and yet feel absolutely zero responsibility to assist in providing for the common good.

It is evident in the talking heads on both sides of the political spectrum that intentionally, either for political gain or sheer entertainment, distort and oversimplify complex issues that erode confidence in our leaders and in our institutions.

And, yes, Mr. Speaker, this lack of personal responsibility is also evident in us, Members of the House of Representatives, Democrats and Republicans, who continue to play politics and blame one another for political expediency instead of coming together to move our Nation forward.

In short, the issue is simply not the executives at AIG. There is enough blame to go around, and we all have a part to play in changing the culture of our Nation.

Regardless of what happens in the short term, long-term economic and moral strength of our Nation depends on renewing one of our greatest American virtues, personal responsibility.

A BUDGET THAT SPENDS TOO MUCH, TAXES TOO MUCH, AND BORROWS TOO MUCH

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

Mr. BROUN of Georgia. Mr. Speaker, I rise today because the American people are witnessing one of the greatest magic tricks of all time. The 2010 budget proposed by this administration and currently under consideration by this legislative body is worthy of being mentioned with the greatest illusions created by Houdini himself.

This budget proposal is on one hand being held out as addressing the challenges of our Nation while taking steps to reduce the deficit. This one hand being shown to the American people reveals the ideas of reducing entitlement spending, partially fixing the AMT, and creating an emergency reserve fund. And while the magician waves his hand and distracts the American people, the other hand is out of public view, and this is where the trick is being played. This other hand contains the real instruments of this budget: More Federal spending on more Federal programs; more taxes on all American families and small businesses; and a Federal deficit higher than in the past 4 years combined.

Simply put, Mr. Speaker, the end result of this magic trick is a budget that spends too much, taxes too much, and borrows too much. This budget proposal increases spending to \$3.9 trillion, nearly one-third of the gross domestic product, a rate not seen in this country since World War II.

To put this into perspective, under this budget nearly \$1 out of \$3 in the entire American economy will be a result of Federal government spending. And what does this huge increase in government spending go towards?

Approximately \$1 trillion will be spent on an increase in entitlement spending over the next decade. More than \$600 billion will be spent on government-run health care, socialized medicine. And, more than \$1.1 trillion will be spent on more discretionary spending, that is, optional spending, with several government agencies receiving budget increases of more than 30 percent.

Now, where does this great magician get the money to pay for all this increased government spending and programs? By picking the pockets of the American public.

Here, again, the great illusionist holds out one hand and claims they

will only increase taxes on the rich while giving tax cuts to the other 95 percent of all of us American taxpayers. However, once again, the other hand is hidden away, and this is where the trick happens. The real result of the tax trick in this budget is more taxes on America's small businesses.

Mr. Speaker, I ask you, in these tough economic times, with rising unemployment, is a tax increase on small businesses, the engine that drives our economy, really the best course to take? How about resurrecting the death tax, which this budget does. Is that an appropriate course of action? I think not. I ask, what does an increase in capital gains taxes while cutting the tax deduction for the interest paid on mortgages do to stimulate our economy?

And I am sure that the 95 percent of Americans who are expecting a promised tax cut will find that money useful when it comes time to pay their share of the new \$646 billion cap-and-trade—so-called cap-and-trade, I call it cap-and-tax—energy tax that will result in higher costs on electricity, natural gas, home heating, gasoline, and all goods and services in America.

Just looking at my home State alone, with this new energy tax Georgians will see their disposable income reduced by \$941; and the State is projected to lose up to 62,000 jobs by 2020. Even Houdini can't hide these numbers.

Now, Mr. Speaker, just when the American people think they have seen the finale of this magic trick, they are then surprised with an ending twist. This is a magic twist that will be replayed for their children and grandchildren.

By their own estimates, the current deficit would decrease by half if this administration did nothing and we kept spending constant. We cannot continue this magic trick. We must stop this irresponsible budget that is being proposed by the administration.

OUR CURRENT ECONOMIC CRISIS

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

Ms. KAPTUR. I thank the Speaker very much for that, and wish to say that I recently entered into the CONGRESSIONAL RECORD an account of some of the key legislative history and executive actions that have led our Nation into our current economic crisis, a meltdown of people's accumulated savings, a loss of value in their homes and pensions, a 26-year high in unemployment, and major damage to our financial institutions and their ability to lend.

One of the individuals I talked about was the woman who headed the Commodity Futures Trading Commission back in 1998, in the late 1990s, and her name was Brooksley Born. She was an esteemed attorney, and she knew the

field of regulation well. She said we had to regulate derivatives and, if we didn't, we would get in trouble. She was prescient and she was right.

Three of the men that ultimately caused her resignation were pictured on the front of Time Magazine about a year later: Alan Greenspan who then headed the Federal Reserve, Robert Rubin who chaired Citigroup, and Larry Summers who was then Secretary of Treasury.

You know, it is good to remember history so you are not doomed to repeat it. The unemployment figures just announced nationally and for my home State of Ohio reveal the grim situation: The State unemployment rate is marching toward double digits, the city of Toledo is facing a massive deficit that grows with each passing day, and around our district families, businesses, and local governments are struggling to make ends meet.

Let me offer a seven-step restoration program to put our economy back on track.

First of all, we ought to bring the "too big to fail" institutions back under control for the sake of the American people. They should never have been allowed to get so big that the failure of a Citigroup that this man used to head or an AIG insurance company, which is much more than an insurance company, or Lehman Brothers could threaten the entire global financial system. These raging beasts have got to be brought back under control; and, last week Federal Reserve Chairman Bernanke said, "The 'too big to fail' issue has emerged as an enormous problem both for policymakers and financial institutions generally." He is right. Job number one should be bringing the big institutions back under control and, in my opinion, breaking them up.

Number two, we should restore the goal of financial security; that is, people should have more equity and less debt, and it needs to be restored at all levels, from our kitchen tables to the government of the United States. Read chapters 8 and 9 of Kevin Phillips' book, *American Theocracy*. Treat yourself to a real understanding of how we have gotten ourselves into the situation we face today. Form a book club. Think about it.

Number three, we need to restore our national ethic that values savings over debt both in our households and in our government. Our government should set a national standard for prudent and responsible financial behavior for our citizenry and institutions. The fact that JP Morgan could take a dollar of home equity and leverage it 100 times beyond the value of the underlying asset goes well beyond the realm of reason.

Number four, we need to restore the word "banking," "prudent banking" to our vocabulary, and excise the word "financial services." And we ought to start right here in the House of Representatives by renaming the committee of jurisdiction what it used to