environment. It is a place where women can begin the process of rebuilding their lives, reconnecting with family and reclaiming their place as productive members of the community.

As a member of Community Reentry's Board of Directors, I can tell you that these reentry programs work, and investing in their expansion makes sense. I urge you to contact your Representatives and Senators so that they support the Second Chance Act and see that it passes the House and Senate as soon as possible.

THE OFFICIAL TRUTH SQUAD

The SPEAKER pro tempore. Under the Speaker's announced policy of January 18, 2007, the gentleman from Georgia (Mr. PRICE) is recognized for 60 minutes as the designee of the minority leader.

Mr. PRICE of Georgia. Madam Speaker, I want to thank my leadership on the Republican side of the aisle for allowing me to address the House this evening. It is always an honor to come before the House of Representatives and to discuss issues of importance to this Chamber, to this Capitol and to the Nation.

This is a truncated version of the Official Truth Squad because of the hour of the evening. The Official Truth Squad is a group of individuals who come to the floor of the House and try to shed a little light, try to shed a little truth, if you will, on the deliberations going on here in our Nation's Capital and hopefully bring a perspective that will allow Members of the House and this Chamber and men and women across our Nation to be able to gain a little greater perspective on exactly what is going on here in Washington as we struggle with the challenges that we have facing the issues that we have in our Nation that demand so much of our attention and demand, frankly, a greater level of cooperation than is frequently seen here in Washington.

It is one of the things that I strive, along with my colleagues, try to bring about, and that is a greater sense of urgency to solve the challenges that we have, and to address honestly and openly and truthfully the issues we have before us.

We have one special quote that I like to quote that I think kind of puts it all into perspective, especially when you are talking about issues that are so complex in Washington. It comes from Senator Daniel Patrick Moynihan. He used to say everybody is entitled to their own opinion, but they are not entitled to their own facts.

So often here in Washington, people want their opinions to be facts. It is one of the items or issues that the Official Truth Squad attempts to address, and that is trying to talk about facts, trying to bring facts to the table as it relates to any particular issue.

Tonight we are going to talk about at least one issue that is in great need of facts. Madam Speaker, we are in appropriation season. During this period of time, the House works on its multiple appropriations bills and tries to determine exactly how we as a Nation ought to set priorities from an appropriations or a spending standpoint, what level of spending ought to go into the various programs of the Federal Government. And so often, and we just heard it this evening, many people come to the floor and they say, if we just had more money, if we just had more money for this program or that program, that would solve the problem.

And so often it is not money that is needed for programs, especially out across our Nation, because what is needed most often is to free up the wonderful enthusiasm of the American people and the wonderful ingenuity of the American people. What happens is along with the money that comes from Washington comes rules and regulations and strings and stipulations, and makes it that those individuals who are trying as hard as they can to make ends meet and improve their communities and make certain that they are providing for their families, so often what Washington does is ties their hands behind their back and makes it so they are not able to realize the kinds of dreams that they would otherwise be able to realize.

We cite often the Golden Rule. You know what that is. Most folks know what that is, but the Golden Rule of Washington is not what most people across this Nation know. The Golden Rule across this Nation is to do unto others as you would have them do unto you. But the Golden Rule here in Washington is he who has the gold makes the rules. That is especially true during appropriation season because we put all kinds of strings attached to the money that the Federal Government spends.

We often forget, as I am fond of reminding my friends here in the House, of whose money it is, because it is not government's money, it is the people's money. It is hard-earned American taxpayer money.

We have had individuals come even to this well and say, ''Keep your hands off my money.'' My money. It is phenomenal when you hear that, when I go home to the Sixth Congressional District in Georgia, and my constituents ask incredibly insightful questions about that kind of mindset that exists here in Washington. ''How can politicians believe it is their money?'' This is so important as we are in this appropriation season and as we determine exactly how to spend that hard-earned taxpayer money, and we ought to do it more responsibly, I would suggest, Madam Speaker.

I want to talk tonight about an issue that is near and dear to my heart, and to the heart and well-being of every single American, and that is the issue of health care. Before I came to this body, I was a practicing physician. I was an orthopedic surgeon and practiced for over 20 years in the Atlanta area.

One of the things that drove me into politics or had me stand up and volunteer to get into politics was the recognition and the appreciation that year after year after year would go by as I tried the best I could to care for my patients and worked with my colleagues to provide the best and highest quality of health care we could provide, and year after year, and month after month, and day after day each of us appreciated that there were more individuals in our State capital and in this Capital right here who were making decisions about health care that affected very directly what I could do for and with my patients than anybody I ever met in medical school and anybody I met in residency and training as I was training to become an orthopedic surgeon. That was true for every specialty that I talked to, every single colleague.

If you talk to your doctor, Madam Speaker, or if the Members of Congress would speak to their physicians and to their neighbors, they would appreciate readily that there are so many rules and regulations that are coming from Washington and from State capitals around this Nation that tie the hands, that make it more difficult, not easier, more difficult for physicians and other health care providers to be able to take care of patients. And that's wrong. That is wrong because what it means is we have a lesser quality of health care system than we would otherwise have if the government weren't involved in the way that it is.

And there are all sorts of programs that you can talk about that would lend truth and credibility to that statement, but I want to talk about one specifically this evening that is going to get a lot of discussion, Madam Speaker, here over the next week or two and maybe number of months as we move forward in Washington, and that is the program known as SCHIP, or the State Children's Health Insurance Program.

That is a program that was begun 10 years ago. It was part of the Balanced Budget Act of 1997. It was a program that had wonderful goals. The goals were, specifically, there was a recognition that low-income individuals who weren't eligible for Medicaid, they made too much money to be eligible for Medicaid, but they didn't make enough money to be able to afford health insurance for their families, those individuals ought to be able to have some sort of assistance provided by States and the Federal Government in a complex formula that would allow those families to be able to have health insurance for their children. So hence the name State Children's Health Insurance Program. And it was a laudable goal, without any doubt. And it was passed by a significant majority, and the goal was to increase the enrollment of children who were below 200 percent of the poverty level. That is what was selected as the limit at the time.

Over the last 10 years what happened, however, is a distortion, a significant

distortion, of the program so that it covered not just children up to 200 percent of the poverty level, but in some States covered up to 350 percent of the poverty level, and it covered not just children. The State Health Insurance Program covered hundreds of thousands of adults. So like other government programs, it grew.

Government programs in the area of health don't just grow, as I started this conversation talking about, they insert themselves in terms of rules and regulations into the process and make it extremely difficult for those who are charged with the administration of the program, charged with caring for patients in this instance, to be able to care appropriately for them.

So what we saw between 1998 when the State Children's Health Insurance Program was instituted and became effective, at that time there were about 28 percent of the children of this Nation on some sort of government-run health care. In 2005, that number had grown to 45 percent. It is a little more than that right now, but about 45 percent.

The proposal that will be on the floor of the House or certainly in Committee of the House is to move it so that in a relatively short period of time, another 5 years, we will have 70 to 75 percent of children on government-run health care.

We will talk a little bit more about the consequences of that and why many of us believe that is the wrong direction to head, because most of us, most people, most Americans, I believe, are not interested in having a Washington-controlled, bureaucratic medical model be the one that is making those kinds of personal health care decisions for themselves and their families, and especially for their children.

That is what we are going to talk a little bit about tonight. I am so pleased to be joined by one of my good friends and colleagues, the gentleman from New Jersey (Mr. GARRETT), who has great insights into both fiscal responsibility issues and issues where government tends to intervene in ways that most of us would desire that it not. I am happy to have the gentleman join us this evening, and I yield to the gentleman.

Mr. GARRETT of New Jersey. I thank the gentleman from Georgia for coming to the floor this late hour, although on the west coast it is just early evening, and so we welcome all those who partake in these forums that we have that are educational to not only the American public, but also to our colleagues who may be in their chambers learning a little about SCHIP as we go along.

I was listening to your opening comments, and you were right on point on this one, as you are always right. I have great respect for your ability to have a strong grasp of the situation on a whole slew of topics. I sort of focus on certain areas like the U.N., which is one of my pet peeves, or financial services, or education and No Child Left Behind. But I know whether on the floor or at home, I can watch and be assured that you are covering thoroughly a topic of importance to the American people. And SCHIP is one of those topics.

You were just beginning to address the issue of the number of children that will be on SCHIP and the direction that the government is going in this area. Your chart makes the point abundantly clear.

Red is usually a warning sign to people. When the red flashers go off or the red lights flash, you know something is amiss, and I guess you chose the appropriate coloration of your charts that something is amiss.

We see back in 1998, less than a decade ago, a little over a quarter of the kids in this country were under a government-run plan, and now we are looking to see almost three-quarters of the children in this country under a government-run plan.

□ 2300

That is fine. That would be fine if you thought that the U.S. government, if Washington is in the best position to take care of and administer the health of our children.

But you know, you don't have to listen to The Official Truth Squad here on the floor each week to know that things are oftentimes amiss when it comes to the efficiency and the accountability of the Federal Government.

Heck, just look a couple of years ago when the whole issue of Katrina was coming on, there was railing from both sides of the aisle, rightfully so, when we realized that the Federal Government couldn't get into an area where it had an obligation to, and that is, to help out people in a tragic situation, whether it's home settings or others or in a health situation.

Likewise, I think I recall there was railing again against the Federal Government when, again, in an area that the Federal Government does have a distinct responsibility, and that is taking care of our veterans and our men and women who are in the military or returning back from the military to the facility just down the road a piece from here, and there was a question as to the conditions of those medical facilities and whether we're giving those brave men and women all the facilities and care and comfort and proper medical care that they deserve.

Yet, when we know that all those problems exist, there are some, especially from the other side of the aisle in this House and certainly on the other side of the aisle in the Senate, who would say that the solution to the health dilemma in this country is not by turning it back to a patient-doctor relationship, but instead of turning it to a Federal Government/doctor-patient relationship. So we are going in the wrong direction with regard to that.

I'd like to come back to that in a moment or two, but at this point I yield back to gentleman if he would like to speak.

Mr. PRICE of Georgia. I appreciate your comments in pointing out a number of different areas where the government has been intimately involved in health care issues specifically and ones where most individuals across this Nation I believe, Madam Speaker, have questions about the advisability of governmental involvement and the effectiveness of governmental involvement.

We're pleased to be joined by another good friend, the gentleman from Wisconsin, who has been chair and now is ranking member of the Budget Committee, an individual who has great perspective on both fiscal responsibility and the issue of health care as a member of the Ways and Means Committee. We are pleased to have Mr. RYAN join us this evening and I'm happy to yield to him.

Mr. RYAN of Wisconsin. I thank the gentleman for yielding, and I thank the gentleman for his leadership on health care issue, not only the fact that you're practicing physician, but also your leadership here in Congress, and the gentleman from New Jersey as well.

I just listened to this conversation you're having in my office, and I wanted to come down and just add maybe a few facts. I missed part of your debate as I walked over here.

But we're looking at all these various SCHIP bills to renew this program, and we looked at what the other body is doing over in the Senate. They propose a new $35 billion expansion of the program, but what we find in their legislation is that, not only do they provide a $35 billion expansion, they provide another $35 billion expansion after that in 5 years. Then to contort their budgets to make it all work, they actually say that we will cut off 4.5 million children off of SCHIP insurance to make their numbers work, meaning they have a budget gimmick.

The budget gimmick is, they're going to put as much money into this program as possible, but to fit in their contorted budget window, they will just assume that in about 9 years everybody's knocked off of health insurance.

Both you and I know that that's not going to happen, but what we have over here in this body is an even larger SCHIP expansion, a $50 billion SCHIP expansion which translates into $100 billion SCHIP expansion if their full 10-year ambitions are realized.

And what does that mean? What they're talking about is having all families at 400 percent of poverty, a family of four earning $80,000, being on government health care. What they're talking about is the largest expansion of Washington-controlled bureaucratic health care we have seen in decades, and this expansion of Washington-controlled bureaucratic health care is not the recipe for America.

All of us know from the fact that we represent Americans that the cost to health care and the cost of health insurance is an enormous crisis in America today. Finding good quality, affordable health care is a big problem.

And so what the majority is doing is, rather than attacking the root cause of health care inflation, rather than looking at what is producing these high costs, they're simply saying we will just pay for more of that from the government. They simply want to take more control in Washington and go down the same path, the same path where, today, we spend two-and-a-half times per person on health care of any other industrialized world; yet, today, we have 46 million people who have no health insurance.

We have a system today where all the fiscal experts in Washington and across America from the left and the right are telling us health care's unsustainable, the entitlements in this country are bankrupting America, that our children and grandchildren simply won't be able to pay for the government of tomorrow because of the cost of health care today and the trajectory it's on.

We believe in a different philosophy, a different alternative. We believe we can have affordable, accessible health care that is patient-centered, that is patient-driven and patient-controlled health care.

And so that is why we have a very different vision of this Washington-controlled bureaucratic health care, where the patient and his or her doctor are making the decisions in health care, where we actually go at the root cause of health care inflation and attack those causes so that people get affordable health care at a good price and good quality, and that the patients are the ones who are the drivers of the system.

Today, under the third party payment system we have today, either an HMO bureaucrat or a government bureaucrat's making the decisions, and we as consumers really don't care what things cost because someone else is paying the bills. We can't shop around based on quality and price because we don't know what quality and price is or we're told who and where we've got to go to by our closed network. That's a system that's unsustainable. That's a system that we have today, but this is the system that the majority wants to not only expand, but they want to turn more of it over to Washington, more of it over to government bureaucrats making our health care decisions which will cost us even more money, $50 billion to be specific, in this bill that's going through the Ways and Means Committee and Commerce Committee this week.

But the key here is that we have 16 percent of the GDP, 16 percent of the economic output of this country is dedicated to just health care. The Democrats want that to grow and grow and grow. What's ironic about this is the other 84 percent of health care doesn't work like the 16 percent of GDP that health care consumes, because the other 84 percent of our economy operates on the basic free market premise of competition, competition on price, competition on quality. If you don't do a good job, you don't get more business. If you're not price competitive, people aren't going to buy your product.

Unfortunately, that is not how health care works today, and those are the reforms that we want to inject into health care so that people can get affordable, accessible health insurance coverage, health care that is very high quality and that doesn't grow at 6, 10, 20, 18 percent of price increases every single year.

So we have two different philosophies, two different visions of where we want to go to with health care. We very much believe in putting the patient at the center of the equation, giving the patient and their physician control over the health care system so health care providers, rather than oligopolistic pricing, rather than just raising prices on everybody, will compete again for our business on price and quality.

What the majority wants to do is continue this system, where providers continue to raise prices over and over and over, third parties make the decision whether it's a bureaucrat at an insurance company or a bureaucrat in Washington, and they simply want to raise more taxes to pay for more of this.

In this particular bill, they want to cut Medicare patients. They want to raise taxes on low-income individuals in order to pay for this unprecedented expansion of Washington-controlled bureaucratic health care. To me, that's not the right way to go. It's not the right priorities, and what it will do will be to get more difficult for small businesses, individuals, families and even large businesses to be able to afford health insurance.

That's not the path to take. That's the way that's going to bankrupt this country. That's going to raise our taxes and that's going to take health care decisions away from individuals and families.

That's the approach that we want to go, and I just am pleased to see that my colleague from Georgia and New Jersey have joined in this debate on the floor because it's a very important debate. I would argue that the cost and affordability and accessibility of health care is the largest domestic crisis facing America today, and it's high time we do something about this.

I just want to thank the gentleman for including me in this debate.

Mr. PRICE of Georgia. I thank the gentleman for his comments and really succinct presentation of the issue of health care and the philosophical difference between the two parties, philosophical difference between the majority party and our party at this point.

The majority party believes that Washington-controlled bureaucratic medicine, bureaucratic health care is exactly what the country needs, and we don't believe that. We believe firmly in patient-centered health care and patient-centered decisions as it relates to health care.

So I thank you very much, and you point out as clearly as anybody could ever do the philosophy on that side of the aisle, once again, that is, if we just give it more money, give it more money, it will somehow miraculously improve.

You know as well as anybody as the ranking member on the Budget Committee that when the estimates are a certain amount, it's never that amount. So if $50 billion is the estimate for the first 5 years and $100 billion for the 10-year period of time, it will never remain at that level. When folks across America hear that kind of comment, they just better say I better hold on to my wallet.

I'm pleased to yield to you once again if you have any other comments.

Mr. RYAN of Wisconsin. All I would say is I think most Americans realize, if you're spending someone else's money, you are not going to be judicious with that money like you are with your own, and that is what we do here in government.

And in health care, by asking Washington to spend our taxpayer dollars, they are not spending it like it's their own money. Think of what's happening in health care. In health care, they're spending someone else's money, our money, and they're spending it in a very irrational way, and it's giving us high health care costs. That is the basis of this third party payment system.

And so by simply saying we're going to raise taxes to spend more money in Washington on health care in a system that takes control of health care out of the hands of the patient, him- or herself, is just wrong.

I can't think of a more intimate and personal decision you experience in your life than making a decision over your own health care. Yet, they want more bureaucrats to make that decision than individuals. They want Washington to control this system. They want HMO bureaucrats to control this system and not the patient and their doctor.

That is the real core of the issue here, who you trust. Do you trust Washington with your money to make personal decisions for you or do you trust individuals to make them for themselves?

I would argue, and I think the evidence is clear, that when individuals make the decisions for themselves, when they're spending their own money, when they're talking to their doctor and making decisions on their own treatments, with affordable insurance, that the system's going to be far better, people are going to be much more satisfied, and we're going to save a lot more money and we'll have healthier outcomes.

So it's a real difference in philosophy, and where we see competition working, prices go down and quality goes up, even in health care.

I will just give one final conclusion. I used to have really bad eyes. I had 8.5 in this eye and 8.0 in this eye, which means you have really bad eyes, about 2800 vision. In the year 2000 after years and years of wearing contacts, I decided I'm going to get this LASIK surgery, and that LASIK surgery cost me $2,000 an eye for a total of $4,000 out-of-pocket discretionary spending in elective surgery. They used this Excimer Laser at the time, and it went very well. I can see your charts extremely well. I can even see the detail on your tie. You're standing about 20 feet away me, and the LASIK worked well.

Well, what is LASIK procedure now in the year 2007 where it was in the year 2000? It costs $800 an eye at the same place, and they've revolutionized this procedure, revolutionized this Excimer Laser they use four times over. So the procedure is much better in quality, it's much better in recovery, and it costs $800 an eye instead of $2,000 an eye. $1,600 instead of $4,000 seven years ago. Better quality, lower price, because of competition.

So, even in health care, with complicated things like eye surgery, you can see where competition is allowed to work, is allowed to flourish, that good results can occur, and that is the way out of this. That is the way forward, and that is the lesson that we need to learn as we go through this, instead of raising taxes on Americans and having more Washington-controlled bureaucratic health care, which has given us this double digit inflation on health care.

And with that, I'd be happy to just yield back to the gentleman, and I thank him for including me this time debate.

Mr. PRICE of Georgia. Thank you ever so much for your comments and, once again, succinctly pointing out the rationale for why it doesn't make sense for Washington to be controlling health care.

And sometimes I get the question as a physician, what does it mean specifically? What kind of issues would the government insert themselves into? If I think back on personal experience that I have, there are a number of issues where Washington and governments insert themselves into health care. The reason that it sometimes isn't easy to see is because patients don't often see it.

□ 2315

I worked for a period of time in a veterans hospital in Atlanta, and every quarter there were a certain number of joint replacements that were allowed to be done at the hospital. When we got to the end of that number, even though it wasn't the end of the quarter, there were more patients that needed joint replacements, we couldn't do them. We weren't able to do them because the resources weren't there to be able to fund them.

Now, the patients that didn't get their joint replacement in May or June because they were rescheduled to July didn't know that the reason they didn't get their joint replacement in May or June wasn't because there wasn't anybody to do it, or there weren't any prostheses to implant, or the nurses weren't there, or the operating rooms weren't functioning, no. They didn't know that the reason they weren't getting it is because the Federal Government wouldn't pay for it. That was the reason.

So, the government inserts itself in so many ways into the practice of medicine. Medicaid programs are a classic example. Medicaid programs across this Nation, which are government-run health care for lower-income individuals, the vast majority of States have formularies for drug prescription plans in Medicaid, which means that the government is deciding which drugs are available for folks at the lower end of the economic spectrum. That's wrong. That's simply wrong.

Now, there is a way to solve that without the heavy hammer of the government, because when the heavy hammer of the government comes in, what happens is that they just put more restrictions on, or they make a change, and for 2 months it's the right change to make.

But government isn't nimble, it isn't flexible, it can't change easily. Even if it made the right decision at one point in relatively short order, it would be the wrong decision, because science moves on, medicine moves on, health care moves on. There is no way the government can catch up, which is why the importance of having patient-centered decisions, patients and their families making decisions in concert with the consultation with the physician, is so incredibly important.

I yield to my good friend from New Jersey (Mr. GARRETT).

Mr. GARRETT of New Jersey. The last point you make as far as the area of intrusiveness of the Federal Government and how they are sometimes basically out of step with what is appropriate between the normal doctor-patient relationship, maybe that's because the Federal Government and all governments in general always lag behind the private sector, whatever field you might consider, as far as innovation and moving ahead and new areas.

I mean, think about it. You can go to the store tonight and buy any item that you possibly want, whip out your credit card and slip it through a machine. Within seconds that transaction is created, and they know your credit rating and whether you have money in that bank account to pay for that item. It's all done just in the blink of an eye.

Go to your local town hall or go to the IRS or go to anybody else like that and see whether they are up to date with that technology, and you will find out they are not. Those are okay, because that's not a life-and-death situation. But you, as a physician, know that when it comes to a life-and-death situation, or we all know, that we want our children and our spouses to be able to have the most up-to-date, the most innovative, the most advanced technology available to them.

I think that is going to be found on the marketplace of ideas that is in the general marketplace, as opposed to the convoluted, Byzantine system that we call this, the Federal Government.

Mr. RYAN just stated that what the Federal Government is attempting to do here, with the expansion of this program, as we come to the floor tonight, we mark approximately the sixth month of control of the Federal Government under Democrat leadership. As we mark this sixth month, we have seen the largest expansion in taxes, the largest tax increase in U.S. history. I guess, as we discussed here on the floor tonight about the Democrat plan for the expansion of the SCHIP program, we see the largest expansion intrusion into the family and personal life by the health system, by the expansion of the SCHIP system.

The point I just wanted to make, though, is take a look at how the system has worked so far with respect to the system, the distribution of money to the States. If you go back to I guess it was 1968 or 1969, the first couple of years under the Nixon administration, and he came up with a program of distributing money to the States that was called revenue sharing. That was a new idea at the time, and after a time we realized it didn't really work exactly the way Nixon intended it to do. In fact, he tried to do it in certain areas like education and was never able to get it into legislation. Yet the same sort of idea here, in the original version and the version that will be coming out in the Senate as well.

In a similar situation that we can all relate to, say you have four kids in your family, and you are going to give them all $40 to spend each week. So you give each one of your children $10 each. So here, Child One, Two, Three, Four, presumably you have better names than that for them, here is $10 each. You each get to spend it on anything you want during the course of this week. But, mind you, when the weekend comes, if you don't spend it, if one of the other ones here happens to go over their budget, and you didn't spend it all, what we are going to do is redistribute those funds to the other child there.

What do you think that your kids are going to do? I would imagine that each one of them is probably going to go out as soon as they possibly can, spend that full $10, and maybe even spend $11 just hoping that there will be some money left over from their siblings there to spend it.

Well, children, not to make the comparison here to the States, but the States here are a lot like children in

this situation. This system was set up with $40 billion initially spread out to all the States. It was done, you might say, as fair as the Federal Government goes, as far as how many children may be in the program versus how many children are under other programs. But what happened immediately after that, when they told the States, now, look, if you don't spend your money, we are going to take your leftover money and send it to the other States? Well, initially, in the first couple of years, a number of States did not spend all their money. In 2001, only 12 States exhausted their entire allotment. However, once they saw how that all came down, in 2006, 40 States used all available funds. In that same period of time, unused State funds dropped from $2 billion to only $170 million.

So, finally, in this past appropriations, we had to step in, because there was too few States not spending all their money, too many States spending it. So we had to come up with spending of an additional $393 million that was recently appropriated to address the 2007 shortfall. That just goes to show you one of the inherent problems in the system and the way it has been administrated in the past and, I believe, will continue under this system as well.

Mr. PRICE of Georgia. I thank the gentleman for pointing out the shortfall of Federal Government rules, because they can't ever catch up.

My State, Georgia, was one of those States that spent too much. It spent too much, we would argue, in Georgia, because we were too efficient at signing up children in the program.

Because the formula wasn't flexible, wasn't nimble enough, couldn't accommodate for a State that overperformed, if you will, then it wasn't able to be able to get the match that it was promised. Whether or not that should have happened in the first place is a different question. But the fundamental challenge that we see in all of this is that the Federal Government can't respond, and it can't respond in so many different ways.

But what we see with this chart here that my colleagues know very, very well, and that is that there are all sorts of children out there right now across our Nation that are covered by private insurance. What happens when the Federal Government and the States get involved and they say, let's put this carrot in front of you; let's entice you to come and join government-run health care? What happens?

The fact of the matter is that there is a crowd-out phenomenon, that individual families who currently have private insurance, either they or their employer looks at the program and they say, well, we could save that money by having you enroll your children in government-run health care.

Mr. RYAN of Wisconsin. So what the gentleman is saying is because you have so many families and children with private health insurance, with this new expansion, taxpayers will be replacing that private health insurance and paying for families who already have health insurance?

Mr. PRICE of Georgia. That's exactly right. That's what we saw with the previous program. It happens every time when you have a government program that potentially can supplant the private program.

In 1998, 28 percent of the children in our Nation were covered by some sort of government-run health insurance. In 2005, 45 percent. This is a combination of SCHIP and Medicaid.

Now, the problem is that when you look at the number of children that are covered by private health insurance in our Nation, up to 200 percent, 50 percent of them are already covered by private health insurance. If you go up to 300 percent, which is what the Senate proposes, 70 percent of the children in America whose families have incomes less than 300 percent have some form of private health insurance.

Mr. RYAN of Wisconsin. At 400 percent?

Mr. PRICE of Georgia. At 400 percent it's nearly 90 percent.

Mr. RYAN of Wisconsin. So in the bill that's coming to the House which takes SCHIP to have government, Washington-controlled, bureaucratic health care, for all children at 400 percent poverty, those families, 89 percent of those family already have health insurance. We are talking about having the government step in, raising taxes on taxpayers, and having the government take over the provision of health care for a group of families, 89 percent of whom right now have private health insurance?

Mr. PRICE of Georgia. That's exactly right. That is the crux of the matter. If everything else were equal in the system, if it were to allow for the same kind of ability for patients and families and doctors to make decisions, that might be one thing. But as we have talked about, and as everybody across this Nation knows, that's not the case.

When you have government get involved in the provision of health care, government is going to make decisions about where you can be treated, who can treat you and what kind of treatment you can have. That's where the personal health care decisions go away from the individual. I don't believe, and I know you don't believe, that that's what the American people want. It's up to you.

Mr. RYAN of Wisconsin. So just to expand on this point a little bit further, we have here a situation where 89 percent of the children in these families are already covered by private health insurance that their parents had purchased, that their parents and employers probably had provided them. So what we are proposing here in this bill is that we raise taxes on the American taxpayers, and that we pay for government-controlled health care to replace that health insurance that they already have.

Mr. PRICE of Georgia. Yes.

Mr. RYAN of Wisconsin. So we are going to pay for a system that we already have coverage of so that we can raise taxes and have the government control their health care system. That is a system, that is a sense of priorities that just doesn't square with the American people that I know. That is not what people in Wisconsin sent me to Congress to do.

I don't believe the American people, if they really know the truth and the facts surrounding this issue, want to see their taxes raised so that Washington controls the health care for all of these families, for all of these children, especially when they already have health care provided to them.

I think people understand that if we truly have uninsured poor children, that they ought to get health insurance. I think there is no disagreement here about making sure that uninsured low-income children receive health insurance.

But talking about providing government-controlled health care to families that already have health insurance and raising taxes to do that, that just doesn't jive with the priorities of the American people and the American taxpayer, in my opinion.

Mr. PRICE of Georgia. No, it doesn't make any sense at all. It lays bare the true motive and the true philosophy, which, on the other side of the aisle, at least the true leadership who are pushing this legislation, their belief is that government knows better how to spend people's money than the people themselves. This stretches all the way into the area of health care, which, as you mentioned, are very personal, personal, health care decisions.

Mr. GARRETT of New Jersey. I know that the gentleman from Wisconsin would be able to elaborate on this in much more detail, but in the best case scenario, would that the Federal Government be awash with cash right now, and would that we had no mandatory spending problem going on in the Federal Government right now, maybe some people would want to sit down right now and say, how can we spend our extra dollars around the country?

But as the gentleman can elaborate in much detail, and we have seen in the Budget Committee for the first months of this year, testimony after testimony after testimony, expert after expert after expert from all spectrums of authority, we are now in that situation where we find ourselves with the Federal Government and mandatory spending going out of control. There are legitimate groups within that that the American public would agree with, or those that we should be targeting, to make sure that they do.

The aged, the poor, the infirm, who desperately need medical care and are not able to cover it by themselves and are not fortunate enough to be able to work any longer, and who are not working now and covered by an employer plan, and did not unfortunately

work for a company that provides for a company-sponsored plan after their termination at work, those are the people that the American public would ask that's where our focus would be.

But do we find ourselves in our situation right now where we can say that we have all the other mandatory spending under control that we can address this now?

Mr. RYAN of Wisconsin. All three entitlement programs that are in place today, Medicare, Medicaid Social Security, all go bankrupt in about 10 years. It's because we are doubling the amount of retirees in this country at a time where we were only increasing those taxpayers into the program by 17 percent.

So we are seeing a 100 percent increase of the consumers of those three entitlements, while only experiencing a 17 percent increase of the taxpayers in these entitlements. That's why these three programs are going bankrupt. That's why these three programs will consume 100 percent of our budget by about 2030. By about the year 2040, when my kids are my age, they will have to pay twice the level of taxes we pay today just to keep today's Federal Government going at that time.

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We have run this Federal Government remarkably constant at about 18 percent of GDP. We have had to tax the U.S. economy at about 18 percent of the output of the economy just to run the Federal Government for about the last 40 years. And what we are on the trajectory today because of the aging of America and way the entitlement programs are designed and the baby boomers retiring, my children will have to pay 40 percent of GDP just to keep today's Federal Government going when they are at my age group. You can't have a strong growing economy, a high standard of living.

So what we are in the middle of doing here, we are deciding whether or not we are going to sever that American legacy to our children and grandchildren. And the American legacy that I was taught by my parents was that you leave the country better off for the next generation than when you received it. You leave a standard of living better off for your children and grandchildren than that which you received from your parents. We are at risk of severing that legacy for our children and grandchildren if we are going to confound them to a system to where they will literally have to pay twice the amount of taxes to just the Federal Government than we do today.

At a time when we are in tough competition and globalization with China and India, it is impossible to pretend that we are going to be able to enjoy this kind of standard of living if we are requiring our kids and our grandkids to pay double the amount of taxes they pay today to Washington when they are in our age bracket. It will just be fundamentally irresponsible if this is the future we would confine them to, yet that is exactly the trajectory we are on today.

Mr. PRICE of Georgia. You are absolutely right. And to give some credibility to that from a pie chart standpoint, these are the mandatory spending programs, and all of what you said happens unless we act. Unless we act as a Congress, all of these things happen.

In 1995, those three programs were this yellow portion, about percent 48.7 percent of Federal spending. In 2005, about 53.4 percent. In relatively short order, 2017, 62.2 percent. And, as you mentioned, in 2030 the yellow portion of that will be the entire pie.

Mr. RYAN of Wisconsin. And if the gentleman will yield, so the blue portion, which is what we call discretionary, that is national defense, the Department of Education, the Department of Commerce, the Department of Energy, Transportation, roads, bridges, the Pentagon, all of those things are the blue portion. There won't be any money left for those, Will there?

Mr. PRICE of Georgia. You are absolutely right. And that is why you mentioned the significant increase in taxes that would be required, and that is if we don't do anything. That is why it is so imperative that we act, which is why it was so astounding to me that this new majority that came in with this ''new direction'' that they were going to take us on for our Nation. You know what happened when they had the opportunity to bring about some entitlement reform.

What happened with the bill that they passed this year in their budget was no entitlement reform, in spite of the fact that we worked as diligently as we could back in 1997 with the Balanced Budget Act, about $130 billion of entitlement reform, and fought like the dickens, as you remember, in 2005 with the Deficit Reduction Act to get about $40 billion in entitlement reform.

But this new majority comes in with the previous chart that we saw, increases in Social Security spending, increases in Medicare spending, increases in Medicaid spending, the prospect of another $100 billion entitlement with the SCHIP program if they have their way, and no reform. Can you imagine what that is going to do to our economy?

Mr. GARRETT of New Jersey. If the gentleman would yield, And lest anyone following this get confused when we talk about the tax increases, the gentleman from Wisconsin set it out and you followed up with quite some detail, as far as the tax increase necessary in order to pay for those entitlement expansions over time. That would be in addition to what we have already seen has occurred during this first 6 months in office.

In other words, we have already seen the largest tax increase in U.S. history. And the current tax increase means that 115 million taxpayers are going to see a $1,716 increase in their tax bill in just a couple years; 84 million women would see their taxes go up by $1,970; 42 million families with children, which is what we are down here talking on the floor about right now, those children, trying to be sure they have health insurance. Those 42 million families with children will see an increase of over $2,000 in their taxes already this year because of what the Democrats have done. And what you are speaking of is going to be in addition to and on top of that.

In trying to just throw some numbers to the percentages that you were throwing out there before as far as this expansion of children that will come under this program now, those children who may be just living across the street from us who their dads or moms work for a company right now that provides them insurance, all of a sudden those companies don't provide it anymore because now the government, we are going to pay for it.

Or those children who have parents who have retiree benefits and are getting insurance for them now, they will no longer have to get it from their retirement pension programs; the government, meaning taxpayers, will pay for it.

The CBO just came out with some numbers on this, and real numbers means that for the first, just the expansion of the program as far as additional dollars means 600,000 new children who used to yesterday have coverage under the private sector will now look to the taxpayer to pay for it; and another 600,000 children yesterday who had insurance, whether through pensions or their parents' employers, will now look to the Federal taxpayers. So 1.2 million children. Now, that is under the House version. That number, I haven't gotten a CBO estimate yet, would be even greater under the Senate version as far as children expanded into this program who are already covered.

Mr. PRICE of Georgia. I appreciate your pointing out the issue of taxes, because there has also been work that has laid out the tax increase for the average citizen in every State across this Nation. And in Georgia, that average increase is $2,700 average tax increase when those tax increases go into effect if they are not changed. They were included in this budget that included no entitlement reform. In Wisconsin, the average number was $2,964. And New Jersey is a big winner, average increase $3,779.

Mr. GARRETT of New Jersey. We are number one in a number of things, in the number of taxes that we pay and the number of taxes that the Democrats are going to make us pay in the future as well.

Mr. PRICE of Georgia. I want to thank you all for joining us tonight. I do want to close on a positive note, and that is that there is an alternative. And the alternative, as we talk about, is patient-centered health care. And patient-centered health care, as you know, puts the opportunity and the

right and the privilege and the responsibility for decisionmaking among patients and their doctors, among families and their doctors. And the way to do that is to structure a tax system that allows individuals, incentivizes individuals to purchase health insurance, through whether it is tax deductions or tax credits, or advanceable refundable tax credits, through high-risk pools, through risk pools that allow people to pool together, making certain that individuals have the same kind of tax treatment for the purchase of health insurance as employers do now, as businesses do now, all sorts of wonderful ways to bring about the opportunity for folks to purchase health insurance.

So it is not whether or not you have the current system or whether you march down the road to more Washington-controlled bureaucratic medicine. There is another way. And I know my good friend from Wisconsin has worked on this extensively on Ways and Means, and I would be pleased to hear your comments.

Mr. RYAN of Wisconsin. I just think that we have a different vision, and that vision is that we believe we can provide a system that gives us universal access to affordable health insurance for all Americans, where they and their physicians are the nucleus of the medical system. What the majority is offering is a bankrupting entitlement system, massive tax increases unprecedented, in addition to the largest tax increase in American history that they have already passed here on the floor this year, and more Washington-controlled bureaucratic health care, where bureaucrats, either HMO bureaucrats or government bureaucrats make the decisions in health care rather than patients and their physicians. We can come up with a system that is patient centered, where every American has access to affordable health insurance, where we have universal access to affordable health insurance throughout America. Or that person who has a risky health care profile, may be overweight and has diabetes, has a history of cancer in the family, we can come up with a system where that person, too, can get affordable health insurance and get access to it without having the government run the entire system, without have to go through a government or an HMO bureaucrat to make decisions on how you get your care. You ought to be able to go to your doctor and come up with a good treatment plan that works for you, and that is where the decisions ought to be made.

And more important to that, all the health care providers, the hospitals, the physicians, all those who are in charge of providing care in the health care system will compete against each other for the consumers and the patients' business. That is the vision we see, where everybody has access to affordable health care and it is a patient-centered system, not a government-driven, government-run, bureaucratically controlled system. And I just thank the gentleman from Georgia and the gentleman from New Jersey for taking this time to address this incredibly important issue.

Mr. PRICE of Georgia. I appreciate the gentleman's comments from Wisconsin. And this is what we believe, patient-centered health care, and we going to work on putting some limbs and leaves on the tree of this over the next number of weeks and number of months, and make certain that the American people understand, Madam Speaker, that there is an alternative and it is a positive alternative. Because we live in a wondrous and a grand Nation, and a Nation where when individuals are allowed to encourage their own visions and their own dreams and their own entrepreneurship and their own work, that they can decide what is best for themselves, not government.

Nobody across this Nation I believe is truly interested in having Washington-controlled bureaucratic medicine, yet that is the road that we are about to march down if this new majority has their way. Our alternative is patient-centered, patient-centered health care and allows individuals to make decisions with their families and with their physicians and with their health care providers.

I look forward to working with colleagues on both sides of the aisle to make certain that as we move forward on this issue, that we move forward in a way that ensures that those decisions, those very personal decisions are able to be made in a very personal way without the government limiting care, without the government determining where you can be seen and who can see you and what kind of treatment you would receive.

Madam Speaker, on that positive note and looking forward to patient-centered health care across this Nation, I want to once again thank the leadership for allowing us to spend this time on the floor.

I yield back the balance of my time.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Ms. CLARKE (at the request of Mr. HOYER) for today and through August 3, 2007.

Mr. ENGEL (at the request of Mr. HOYER) for today on account of a delayed flight.

Mr. GENE GREEN of Texas (at the request of Mr. HOYER) for today on account of family medical reasons.

Mr. KING of Iowa (at the request of Mr. BOEHNER) for today on account of official business.

Mr. JORDAN of Ohio (at the request of Mr. BOEHNER) for today on account of official business.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. DAVIS of Illinois) to revise and extend their remarks and include extraneous material:)

Mr. GEORGE MILLER of California, for 5 minutes, today.

Mr. DEFAZIO, for 5 minutes, today.

Ms. WOOLSEY, for 5 minutes, today.

Ms. LEE, for 5 minutes, today.

Mr. PALLONE, for 5 minutes, today.

Ms. KAPTUR, for 5 minutes, today.

Mrs. MCCARTHY of New York, for 5 minutes, today.

(The following Members (at the request of Mr. CHABOT) to revise and extend their remarks and include extraneous material:)

Mr. POE, for 5 minutes, July 27 and 30.

Mr. JONES of North Carolina, for 5 minutes, July 27 and 30.

Mr. BURTON of Indiana, for 5 minutes, today and July 24, 25, 26, and 27.

SENATE ENROLLED BILL SIGNED

The SPEAKER announced her signature to an enrolled bill of the Senate of the following title:

S. 966. An act to enable the Department of State to respond to a critical shortage of passport processing personnel, and for other purposes.

ADJOURNMENT

Mr. PRICE of Georgia. Madam Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 11 o'clock and 41 minutes p.m.), under its previous order, the House adjourned until tomorrow, Tuesday, July 24, 2007, at 9 a.m., for morning-hour debate.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 8 of rule XII, executive communications were taken from the Speaker's table and referred as follows:

2604. A letter from the Principal Deputy Associate Administrator, Environmental Protection Agency, transmitting the Agency's final rule — Pesticide Tolerance Nomenclature Changes; Technical Amendment [EPA-HQ-OPP-2002-0043; FRL-8131-3] received June 28, 2007, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Agriculture.

2605. A letter from the Publications Control Officer, Department of Defense, transmitting the Department's final rule — Law Enforcement Reporting (RIN: 0702-AA56) received June 25, 2007, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Armed Services.

2606. A letter from the Director, Department of the Treasury, transmitting the Department's final rule — Amendments to Bank Secrecy Act Regulations Regarding Casino Recordkeeping and Reporting Requirements (RIN: 1506-AA84) received June 22, 2007, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Financial Services.

2607. A letter from the Principal Deputy Associate Administrator, Environmental