We will vote tomorrow. We will be on the floor continuing in the debate.

Mr. ALTMIRE, I want to thank you for being very factual on the bill and sharing with the Members what is actually in the bill. A lot of folks don't take the time to find out what's actually in the bill; so I am glad you brought that perspective to the floor tonight.

With that, Mr. Speaker, it was an honor addressing the House.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore (Mr. SPACE). All Members are reminded that assertions that the President has been deceptive constitute an indecorous descent to personalities and are thus a violation of House rules.

PARLIAMENTARY INQUIRY

Ms. WASSERMAN SCHULTZ. Mr. Speaker, I have a parliamentary inquiry.

The SPEAKER pro tempore. The gentlewoman will state her inquiry.

Ms. WASSERMAN SCHULTZ. Mr. Speaker, my understanding of the rule that you just cited is that Members need to refrain from making direct accusations of the President's being deceptive or referring to the President as a prevaricator or any other word that might apply.

What I did on the House floor this evening was read from a newspaper editorial's opinion. I did not directly make any reference. So I wanted to make sure that we clarify that that was not a violation of the rules.

The SPEAKER pro tempore. The gentlewoman is incorrect. The House rules do not permit a Member to make an improper statement under the guise that it is a quote from another.

Ms. WASSERMAN SCHULTZ. I will take that under advisement, Mr. Speaker, but that is something that I would like to look into on my own and would be happy to follow up with the Parliamentarian. Thank you.

THE STATE CHILDREN'S HEALTH INSURANCE PROGRAM

The SPEAKER pro tempore. Under the Speaker's announced policy of January 18, 2007, the gentleman from Iowa (Mr. KING) is recognized for 60 minutes.

Mr. KING of Iowa. Once again, Mr. Speaker, I appreciate the privilege of being recognized to address you here on the floor of the United States Congress.

And as I have listened to some of the dialogue that has been rolled out here before me, I think it's imperative that someone come to the floor to bring another voice and another opinion and another viewpoint to this subject matter, particularly of SCHIP.

The first point that I would make, Mr. Speaker, is that the SCHIP issue that has been kicked around this Congress now into its third week that perhaps comes before the floor tomorrow in an effort to override the President's very prudent and well-reasoned veto has been turned into a political issue rather than a policy issue.

SCHIP, State Children's Health Insurance Program, now, one could read that acronym and perhaps get a little better idea of what it stands for by reading the poster, Mr. Speaker. And I have heard presenter after presenter here this evening over on the other side of the aisle address this issue as children's health care and the allegation that the people that are guarding the taxpayers' dollars and seeking to get the resources that are here for the SCHIP program into the benefit of children, those who want a responsible program, those that don't want to chase people off of their own private health insurance but those that want to encourage parents, responsible parents, those who can afford it, to provide the health insurance for their children, those who want to encourage employers to provide health insurance as part of the employment package and keep in that package the insurance of the children, those of us who don't want to grow government, that want more personal responsibility, those of us who respect and appreciate the best health care system in the world, those of us who recognize that if there is a private sector investment, if people are responsible for their own health care, if parents take responsibility for their children's health insurance that this invisible hand that Adam Smith wrote about, this consumer's guide to how the health care in America will be developed, how it will evolve, how the research will be done, how the development will be done, how we will be marketing health insurance and how we will be providing services, this best system we have in the world is something we want to preserve.

And I can't think of a single thing we could do to destroy the best health care system in the world rather than to institutionalize it and federalize it and make it a socialized medicine program. Now, how do you do that?

Well, here on the floor, Mr. Speaker, of the United States Congress, September 22, 1993, President Clinton asked for a joint session of Congress. It's unusual for a President to ask to come speak to the House and the Senate in a joint session aside from the State of the Union address, but he did that on September 22, 1993, I think because Hillary actually advised him to, myself. And I have read the speech, and it is about a dozen pages long. And in that speech is component after component of a nationalized, socialized medicine program that was rolled out by the new Clinton administration in the fall of 1993.

And America looked at that. And, Mr. Speaker, I still have that poster, and I have it in the collection of my archives that shows ''Hillary Care.'' It shows a laminated poster about that wide and about that high, and if you look at it in its fine print, it's the flow chart for all the government agencies and all of the price limiting and price control and all the eventual, one can only conclude, health care rationing as well.

That whole flow chart is there on that laminated chart. That laminated chart is something that was put up before Americans in magazine after magazine, newspaper after newspaper, and published by good organizations so we could understand what it was that the Clinton administration wanted to impose upon Americans in September of 1993.

And as he laid out this case here from just in front of where you are, Mr. Speaker, he began to make a compelling case because he's a good salesman. But the American people sat and watched their television, and they reached down and pinched themselves: Do I really believe what I hear? What is coming out of the mouth of this President that sounds so good? Well, on that night the American people thought it sounded all right. They heard the message that you don't have to be responsible for the bills and you don't have to make any more health care decisions. The government will do that for you. The government will take the money out of the pockets of the people that are more wealthy than you are and put it into the pockets of the people that are of your income and less and take over some of that responsibility that you have, and somehow the world will be a better place.

Well, that was the marketing technique of that dozen-page speech September 22, 1993, Mr. Speaker. But when the sun came up on the morning of September 23, 1993, the Americans that had pinched themselves when they listened to the speech had slept upon the policy, and they began to take it apart piece by piece, one component of the flow chart, another component of the flow chart; and we ended up with an educated American populace that, after having listened to some people like ''Harry and Louise,'' after having listened to Senator Phil Gramm over in the Senate say ''We are going to have national health care in America over my cold, dead political body,'' which was a statement that Phil Gramm of Texas made on the floor of the United States Senate back during those years more than a decade ago, Mr. Speaker, the American people one at a time, sometimes by the dozens, sometimes by the hundreds, and, in fact, by the thousands rose up and said, no, we don't want national health care. We don't want that.

But a component that we did support, a component that was brought forth from this Congress in about 1997, by my recollection, and I could be off a year or so, Mr. Speaker, so I qualify that, was this component that we call SCHIP, State Children's Health Insurance Program. SCHIP was something that came out of this Republican Congress that was designed to subsidize

health insurance premiums for the children in families that were low income but not low enough income to qualify for Medicaid. That's the policy that was put in place in the mid-1990s, Mr. Speaker, and that is the policy that in 1998 went into law, as ratified in the Iowa legislature as I was a State senator there. We called it ''Hawk-I.'' We did that to give it a State moniker. And the policy that was put in place in Iowa and across this country at the time was 200 percent of the poverty level.

If you are a family of four, let's say Mom, Pa, and a couple of kids, and you are making something less than 200 percent of the poverty level, then you would qualify for a Federal subsidy for the health insurance program. And there were matching funds there. So it was a pretty good deal for the State to draw down Federal dollars to set up the SCHIP program, and every other State that I know of and the Hawk-I program in Iowa, as we called it, SCHIP, 200 percent of poverty.

Well, some might look at the charts today and dial it up on their Web page, and I think I have one here from Iowa. But the number it has, it shows about $41,000 for a family of four. And that family of four, though, has an exemption, and the exemption is 20 percent. So as I look at the number, Mr. Speaker, it comes together like this:

If you are a family of four, an income limit at 200 percent of poverty in the State of Iowa, $41,300, but you get a 20 percent discount. And 20 percent of your income is not included because, presumably, that's some of the waivers that have been granted. And 20 percent of your income is not included because you use that for living expenses. I actually think a far higher percentage of that income is used for living expenses especially in lower-income people. But 200 percent of poverty, $41,000 and change, 20 percent not included. So it really works out to be that you take the $41,000 and divide it by .8, and what qualifies in Iowa today under this SCHIP program, current law, not the one that passed the House of Representatives here that was negotiated down in the Senate, but what is current law today that I've defended, that I've supported, that I've voted for, and that Republicans have appropriated funds to for about a decade, the current law in Iowa is if you are a family of Mom, Dad, two kids, you qualify for SCHIP funding, which is Federal subsidy for your health insurance, at $51,625.

□ 2200

Now, the debate should be, not about the allegation that there's somebody here that hates kids. I don't know anybody that hates kids. Most of us have children. We all love our kids; we love our grandkids. To make those kinds of allegations should be beneath the dignity of the people over there on that side, or either side. We know that's false and that specious, and it's myopic to believe that. And somehow they think you, and I speak to that in general terms, Mr. Speaker, as the voters, will buy the idea of the allegations that they make.

But we set this up for low-income families. Low-income families are someplace, I think, below $51,625 for a family of four, but that's what qualifies today. This Pelosi Congress passed an SCHIP program that granted Federal subsidies for health insurance premiums at 400 percent of poverty; 400 percent.

So could we still, under the House plan, the ''Pelosi plan,'' could we ever claim that this is a program for poor kids at 400 percent of poverty? Well, what does that mean to the average American, Mr. Speaker? I don't know. But I live in Middle America, and we're pretty much an average State for income and an average State for population. And we have got a few things that are above average, I have to confess. If pressed, I can give you a long list, but 400 percent of poverty promoted and passed off this floor by the Pelosi Congress is $103,250 for a family of four. That's what this Congress was determined to put out here to the American people. That's what this Congress passed over to the Senate and said it's for the kids. It's for the poor kids. In fact, it was for the poor kids up to $103,250 in income for a family of four.

Now, this debate hasn't been about for the kids; I mean, this subject, this policy isn't about for the kids, and it isn't really any longer about the poor kids. It's about the argument that they're not saying, which is, are we going to lay the cornerstone for socialized medicine or are we not? Are we going to go along with the idea that we want to take away the incentive to be personally responsible as a family, a working family, maybe a two-income working family, maybe mom making $50,000 a year and pa making $50,000 a year and coming in there at $100,000 for a family of four and then saying, but taxpayer, let me have a little bit of money to fund the health insurance for my kids.

Even if the employer is providing that policy and it's part of the employment package, this program that was pushed by the majority in this Congress would take two million kids off of their own private health insurance that was funded by the labor of their parents, whether it's a direct check written to purchase the health insurance or whether it is the employment package that's there, two million kids off of that list and put them on the government-funded health insurance.

Now, why would anybody want to do that? Why would anybody that believed in this great gift of freedom that we have, why would anybody step in here and say, I don't want you to have that kind of personal responsibility. We don't need that kind of independence in America. We don't need that kind of character. We don't need that kind of work ethic. We want to take that away from you. We want you to be dependent upon these other taxpayers over here because somehow the nanny state can do a better job than you can do at taking care of your own kids, your own family, your own well-being. That's the psychology. And it has a certain amount of contempt for those working people that have the pride and the dignity to take care of themselves.

We, on this side, respect that labor and appreciate that. And many of us have pulled ourselves up by our bootstraps, paid for the health insurance for our children, taken care of our own, and paid the taxes besides that went to the people that were truly needy, those people that were on Medicaid, those people that were lower income. And some of us came up out of low-income, and actually, there have been years when I had no income when I got done figuring out my income for a bad year for a small businessman; sometimes it's in the red.

We carried our own share of this load and paid our share of taxes and took care of our own kids, and now we come along here and say, well, you don't know how to do that. We can find a better way because somebody out there is paying some taxes, and we can take their money and we're going to stick it back in here and create a program that takes the burden off of you.

And so what are we willing to do? If we listen to the majority, if we listen to this San Francisco policy that has been coming forth here for the last 60 minutes, if we would accept the idea that, unless you're making over $103,250 a year, at least in Iowa, for a family of four, you shouldn't have to pay for your own health insurance for your kids, the government can do it. Well, that's the cornerstone of socialized medicine, Mr. Speaker. And the argument otherwise just doesn't sustain itself against the facts.

And the constant argument that comes up that this is about children's health care is another misnomer. They start out with the wrong foundation in their argument. This is not about children's health care. This is the same kind of argument of rolling together the argument of illegal immigrants and legal immigrants, packaging them all up into one and using the term ''immigration,'' and then saying that because we're opposed to illegal immigrants, we're also opposed to legal immigrants.

Well, the same argument is what they're trying to apply here. If one is opposed to providing health insurance subsidies from hardworking taxpayers to people making over $100,000 a year, they interpret that to mean that you're against health care for kids.

You know, we are still a rational society. We still have people that can deductively reason. We have people that can add up two plus two is four and be able to reason that when the allegation is made on the other side of the aisle that somehow anybody is against

health care for kids when every kid in America has access to health care, every kid in America that's in a family, I will say every legal kid in America that's in a family that meets those low guidelines for Medicaid has 100 percent of their health care taken care of.

And those between Medicare qualifications and on up to that threshold, Iowa is an example, of $51,625, those kids have their health insurance premiums subsidized by the Federal taxpayer. That's current law. This Congress wanted to take it to $103,250; and when it went over to the Senate, it got negotiated down to 300 percent of poverty. That is still, in my State, $77,437. I say that's no longer middle income.

We want to take care of those people that are having a hard time making it, but we do not want to create a dependency society, unless, of course, you come from that side of the aisle, Mr. Speaker, and you're politically dependent upon a dependency society. And that's what's going on. That's what this argument is about. This is about creating a dependent society that will constantly come forth and support policies that make them dependent upon those people that are currently in the majority.

And how does the vitality of this Nation succeed if we're going to continue to dial down the vitality of Americans? Don't we know the difference, couldn't we figure this out? We saw socialism come crashing down November 9, 1989, when the Wall started coming down in East Germany, in East Berlin. That should have been the definite answer on a managed economy.

But I continually hear the argument come up over and over again, people over here, they get elected to the United States Congress that don't believe in the free enterprise system, that don't believe in the incentive program, that don't understand the invisible hand, that think somehow the free market economy is built to take advantage of people that don't have as much as anybody else. They don't seem to understand that we have people that start out with nothing that get wealthy in America, and that's realizing and living the American Dream. Even though they have some of those Members in their own caucus over there who have succeeded by these free market standards, they don't believe in the free enterprise system. They believe in a managed state, they believe in a nanny state. And so they want to be a nanny to all the kids, because if they do that, then those families become dependent upon them for the largess that's dipped out of the pockets of the working people in America to the point where this policy, this SCHIP policy that passed off the floor of this House of Representatives, would have not only funded kids and families up over $103,000 a year, families of four, but 70,000 of those families that would qualify for SCHIP, 70,000 families, not 70,000 kids, but 70,000 families also would have obligated to pay for the alternative minimum tax, the tax on the rich that was created years ago.

Now, tell me how you argue that's not socialized medicine when you've got to subsidize the health care of families so they can afford to pay the alternative minimum tax. That's the strategy. If you start on one end and you start on the other, you have people that are well off, paying more and more taxes, that's called ''progressive taxes.'' Those progressive taxes go higher and higher and higher. They come in from this way. And then you subsidize over on this side and you take care of things like heat subsidy and rent subsidy and health insurance premiums and Medicaid. And you come in from this way, you fund people's families this way, and you tax the wealthy this way, and then when they meet in the middle, you have socialism. When you have taken from the rich and given to everybody else and you have done this great class leveler, if everybody has the same income, now you've reached socialism.

But this goes even further, this SCHIP program. It crosses the line, Mr. Speaker. And so those paying the alternative minimum tax are pulled down here. Those that are receiving the SCHIP program subsidy up to 400 percent of poverty, the first passage out of this House, we're over here, 70,000 families in the middle. We've come all the way.

This policy closes the entire gap on the question of whether the people on this side of the aisle are truly Socialists, whether they believe in a free market system or whether they believe in a dependency society. Well, it's a dependency society that they believe in, Mr. Speaker.

And I will add, there are Presidential politics involved in this agenda. Now, simply, if the majority cared about the policy, we would be sitting down negotiating what it is we can agree on and trying to come up with the votes to put a policy together there. But, instead, they allege that there are all these kids that are not going to get their health care. Never true, always false, always a false statement.

In fact, when those statements were being made, we had passed off of this floor a continuing resolution that guarantees current SCHIP policy all the way to November 16th of this year. We did that so we would make sure there was no gap for any kid in America. And by the way, if we didn't care about SCHIP, wouldn't we have maybe not funded it, or underfunded it, or let it expire, or voted it out sometime when Republicans were in the majority?

How can one think that the allegation from Democrats today, when they've got the gavel, that now all of a sudden the people on this side that created SCHIP and funded SCHIP and nurtured it and protected it for a decade now have changed their mind? It's a ridiculous assumption, and it's false, Mr. Speaker. And this is about whether we're going to lay the cornerstone for socialized medicine. So political and Presidential politics play right into this.

We have these debates going on all over the country. They are concentrated in Iowa, and they are concentrated in New Hampshire. I will concede that, Mr. Speaker. And so every single Democrat Presidential candidate is for expanding this SCHIP as far as they can get it. I haven't heard a single one of them say, that's a bit too much, I think we've gone too far. I think we might have come so far from the left that we crossed over and tapped into those alternative minimum tax payers, that was maybe too much. Not one. Not a voice of fiscal responsibility, not a peep out of the advocates that says that they would ever draw the line anywhere. Because, truthfully, Mr. Speaker, they wouldn't draw the line anywhere. They simply would keep spending tax dollars, keep creating more government programs until there is no free market system left.

This is the cornerstone of socialized medicine. This does have to do with the Presidential politics. That is one of the reasons why it's been raised up to this level. When the President correctly and appropriately vetoed this bill, this $35 billion expansion, he had on the table $5.8 billion in increase, I support that. I support an extension of this, and I'm an original cosponsor of the legislation that carries this SCHIP funding out another 18 months to get us past the silly season of the Presidential and congressional elections, and perhaps we can have a serious debate then about the policy.

Meanwhile, I haven't heard a lot of noise about deficiencies in the program we have today. We have so many discrepancies in this program, Mr. Speaker, that we haven't really had the time to weigh them all in here on the floor of the United States Congress. But I want to make sure that I lay out what this really is about, SCHIP. Here's what it really stands for, SCHIP, ''Socialized Clinton-style Hillary Care for Illegals and Their Parents.'' That's SCHIP. I'll say it again. ''Socialized Clinton-style Hillary Care for Illegals and Their Parents.''

Well, I didn't address the illegal part of this. And there has been significant discourse across the country, but who has got the facts right on whether this legislation enables and enacts funding for health insurance premium subsidies, and in this case, also health care for those who are eligible for deportation?

□ 2215

Let me say this, Mr. Speaker, if ICE, if Immigration Customs Enforcement were required to deliver the voucher for SCHIP, as designed by the Democrat majority here in Congress, if they delivered those vouchers, Mr. Speaker, they would be compelled to bring a lot of those folks and deliver them back to their home country. That is the fact of

this, because they have reduced the standards, the standards under Medicaid more so than SCHIP, the standards under Medicaid that are current law today, see, you have to qualify as a citizen of the United States in order to qualify for the benefit. If you want to come over here on a visitor's visa, or a student visa, or a green card, we have already, long ago, made the agreement that we don't think that the taxpayers should subsidize those folks who come here to America for the first 5 years. So we set the standard, demonstrate your citizenship. There's a whole list of ways to do that. The primary two are a birth certificate with supporting documents or a passport, which has already required the supporting documents. That is the standard that is in current law, Mr. Speaker.

This legislation that was promoted here by the Pelosi Congress and sent to the Senate and passed off the floor of the Senate, and thankfully vetoed by the President, has lowered those standards so that now presentation of a legitimate Social Security number is all that is required to demonstrate your lawful presence in the United States and your eligibility, for now, in this particular case, it also includes Medicaid, as well as SCHIP. The result is that we know that we have millions of people employed in the United States illegally who have presented a Social Security number that may or may not have been a legitimate one, but all they need to do is identify a legitimate Social Security number, present it to their employer, their employer sent that number off to the Social Security Administration. That was all that was required. There might be 1,000 people with the same number. Well, they all get paid every Friday and the benefits all get stacked up on that, and it is called the no match list in a way. Some of it is duplicates. There is also the no match list. Then there is the nonwork Social Security numbers that are given to people that aren't eligible to work here but they needed the number for another reason while they were here as a visitor. There are millions of nonwork Social Security numbers.

Well, all of those that are legitimate or valid may not identify an American citizen, and the Social Security Administration has put out a statement that it is inadequate to take a Social Security number and use that to verify citizenship. But that, under the new standards by this majority in Congress, would be all that is required now to qualify for Medicaid benefits and, Mr. Speaker, to qualify for SCHIP benefits. In Iowa that's Hawk-I.

The Congressional Budget Office has concluded that the net cost to taxpayers, and now I have to do the math on this, is $3.7 billion in extra funding by lowering those citizenship standards. Much of that will go to illegals, people that are unlawfully in the United States, people that if ICE delivered the check, delivered the voucher, if they are going to follow through on the law, they would have to pick them up and take them home.

There is another $2.8 billion that is the States' share of that obligation. So the net cost for opening up, the standards that allow people who are unlawfully present in the United States and ineligible for Medicaid benefits and SCHIP benefits to open up those standards, the net cost to the taxpayers directed by the Congressional Budget Office is $6.5 billion.

Yet, Mr. Speaker, I have highly positioned people here in the House of Representatives and over in the other body that say, that's not true. Well, if that is the case, Mr. Speaker, let them roll the language out. Show me where that loophole is closed. I have read the language. I am saying the loophole doesn't exist. I believe that this is, as I said earlier, SCHIP, Socialized Clinton-style Hillary-care for Illegals and Their Parents. That will be the result. That is the cornerstone of socialized medicine, the weakened citizenship requirements.

I will make another point, and that is when my State gets finished paying the increase in tobacco tax, the 61 cents a pack that is added on to the current Federal 39 cents, that is a 156 percent increase of tobacco tax on cigarettes. Now, I am not here to plead for the smokers except I will plead with you all, Mr. Speaker, if you are smokers, please quit. We all know it is not good for you. Read the side of the pack. That is where you get all the information you need to know to make that decision. But when you increase the tax, we have a lot of middle- and low-income people are smokers. They will pay a disproportionate share of that tax. But when they pay that tax in my State, of course, there will be an increased revenue on tobacco tax in all States. That money, that 61 cents a pack additional that brings the tax up to $1 a pack, flows here to Washington, D.C. and then we sit here and make the decisions on flowing it back to the States. We know, according to the Centers For Disease Control on this particular statistic, we know that in my State, we pay additional taxes, and then money comes back in under SCHIP, and the net loss to my Iowa taxpayers is $226 million. $226 million is our net loss for this program. Why would we want to be for a program that is going to cost everybody in Iowa more money and you get less back? This brilliant plan, and I will get that to a chart here to illustrate it a little bit better, but this brilliant plan also presumes that there is going to be a whole lot more smokers that will be recruited in order to fund the extra cost of this SCHIP program. That number is over the years of this program an additional 22.4 million new smokers.

Now, Mr. Speaker, I am having a little trouble with the math on this. How does this work? How does this work that you increase the tax on tobacco and you kick that tobacco tax up from 39 cents, add 61 cents, now you are a buck a pack. Now that cigarettes got 61 cents more expensive, we are going to have 22.4 million more new smokers. It defies any kind of logic or any kind of rationale. That is typical for Washington, some will say. But I think we have a strong record of being for the kids. We have a strong record of providing for their health care. No one could bring a child out here on a poster or to the floor or before a press conference and say this kid didn't have access to health care. In fact, the examples that have been used by the majority on the other side, Mr. Speaker, are examples of kids that already qualify. And if they do not, I would like to have them point out the exceptions.

So at this point in this opportunity that I have, I see that my good friend from New Jersey (Mr. GARRETT) who has been a strong and vigilant voice for the taxpayers of America and prudent policy that produces the right result has arrived on the floor.

I would be happy to yield him such time as he may consume.

Mr. GARRETT of New Jersey. I thank the gentleman from Iowa for coming to the floor and speaking on SCHIP. I was on the floor earlier this evening, as you may know, with Dr. GINGREY. We were speaking about earmarks. After us, the other side of the aisle began their talk about SCHIP. I was hoping to interject when they were on the floor but that was not possible. So I'm glad you bring this issue up.

Let me touch on one point you are talking about. That is the cigarette tax. You made a generalized statement. Let me give you an actual number here. The SCHIP program, of course, is intended to benefit the low-income and the indigent children. The question is how is this being funded? You had correctly stated it is going to be funded by a cigarette tax. You generalized the statement that the cigarette tax generally falls disproportionately on the poor. And that actually is correct.

A study was done in 1990. It said that people who made under $10,000 per year paid almost twice as much in cigarette taxes as those who made $50,000 and above. So there is the irony. We are trying to provide a health care program for the poor. And on whose back is it going to be placed? It is going to be placed and paid for by those very same poor people who are paying a substantially higher cigarette tax.

The study goes on to say that there are other adverse impacts to raising the cigarette tax. One of them you wouldn't necessarily think of. But when you raise the taxes that high, much higher, a higher Federal cigarette tax, the study says, will lead to more violent crime. The foundation's chief economist has documented that higher cigarette taxes fuel black-market activity, including truck hijackings and other armed robberies. In 2003 he said, for example, 200 cases of cigarettes in a modest-sized transport truck would have a retail value in New York City of around $1 million and

would be a tempting market for thieves. So these are the side issues you don't hear about when you hear the bumper sticker rhetoric from the other side.

The other thing that you don't hear from, and I will yield back at any moment if the gentleman has a point to make here I see with his signs or charts. Another interesting point is the need for the overall program. I don't want to get bogged down in numbers and you are better facilitated with the charts there. But let's take a look at where we have been over the last 20 years when we talk about children in need. In 1987, now look at 1997 and 2002. In 1987, child poverty rate in this country was 18.7 percent. The eligible children who were eligible for programs, at that time, 20.3 percent. So just about the same numbers who were eligible for some sort of a government program such as Medicaid were at the same approximate number who were in the child poverty rate. In 1996, you go ahead about 10 years, those numbers now are about 20 percent in the poverty level, 28 percent eligibility, that means we have now reached a point where more kids were eligible for government assistance than were actually classified as childhood poverty. Flash ahead now to 2002, the rate now of overall childhood poverty rate, 16.7 percent, eligibility though for government assistance and Medicaid and the like, government health insurance, 47.1 percent. We have gotten to the point where almost half of the kids in this country are now entitled to welfare payments.

You had on your other chart when I came in here a neat little acronym for what SCHIP was. We have to call it what it really is. H.R. 976, SCHIP expansion, Socialized Clinton-style Hillary-care for Illegals and Their Parents, SCHIP. Well, that's true. And another way of calling it is welfare. We have gotten to the point where almost half the kids in this country are now eligible for Hillary-care, welfare, whereas the poverty rate for these children has actually decreased during that period of time to around 16.7 percent.

We have gone in the right direction in this country as far as reducing the number of all kids who are in poverty, but we have vastly exceeded what the actual need is.

Mr. KING of Iowa. I thank the gentleman from New Jersey. While you are here, a question arises in my mind and perhaps you are more astute in the nuances of history, and neither of us were here during the nineties when the welfare to work, the welfare reform program was put into place. I pose this question. There is a part in my recollection I am not certain about, but it seems that one of the criticisms to welfare reform, getting people off of welfare and putting them on work, ''workfare'' we often called it, and there was significant success in some of the States. Wisconsin got a lot of publicity, I think, that launched Governor Tommy Thompson on a pretty successful path. Also, in my State we did a very good job and very successful working in conjunction with the policy established here out of Congress.

But it is my recollection that a component in the master plan to succeed in welfare reform was that if you took people off welfare and they couldn't afford health insurance for their children, they would be more likely to stay on welfare and less likely to work. So that was one of the components of the psychology in creating the SCHIP program in the first place, dialed in at 200 percent of poverty.

I would ask the gentleman from New Jersey if that is consistent with your recollection.

Mr. GARRETT of New Jersey. That is absolutely consistent with my recollection.

Another aspect of it was at the time that the master plan as you described it at that time was to be more, was to be broader than what eventually transpired, and that was to include the block grant type arrangement for Medicaid, as well. Had we done that, we would not be in this budgetary crisis that we find right now where Medicaid has continued to have gone up, and the States actually would have been in a better situation than they are right now. Just as with Medicare, just as with the welfare reform movement, when the States were issued a block grant and given the significant flexibility that they had with the set dollar amount, the States were able to use the ingenuity of their States to actually decrease the enrollment of their welfare recipients and at the same time actually since the dollar limit remained the same, the per capita number per recipient actually went up. So those individuals who had the most need, if you will, had the most difficulty climbing out of their condition and their plight that they were in, you had a larger dollar value that you are able to apply to their particular condition.

□ 2230

Had we done the same thing as this Republican Congress at the time intended to, but we were stopped, as you recall; President Clinton put up the roadblock to it. We could have done the exact same thing with Medicaid, done it in a flexible block grant arrangement to the 50 States. The Governors of those States would have no strings attached to it whatsoever. They could have decided who and how they were going to get into it. You could have had an SCHIP-type arrangement where you allowed them to go into privatized health insurance programs. The benefit there would of course be, just as a side issue, that you would not be squeezing out the private sector marketplace. You would be opening up and creating greater competition and you would not be having this dilemma that we are facing right now. That was all the possibilities we had back in 1996. We lost it at that time because of President Clinton and what he was trying to do.

Mr. KING of Iowa. Mr. Speaker, I thank the gentleman.

Mr. Speaker, I put this poster up. This shows the different levels in the maximum income levels for qualifications in Iowa income today, which I think is representative across the country. This is the number that I spoke about earlier. This is current law as it is applied in Iowa today, a family of four qualifying for the State Children's Health Insurance Program subsidy dollars making $51,625 a year. We also have significant number of kids that qualify, not just in Iowa, but across the country, that are not recruited, they are not signed up under this program.

Now, I am going to operate under the theory that if the family has sufficient income or if they have the health insurance that's provided through their employers, they may well not want to complicate their plan and they may be a lot happier taking care of their own health insurance premiums. I am happy if they are.

Mr. Speaker, it isn't my job to come here to this United States Congress and ask people to be more dependent upon the tax dollars that we are squeezing out of the working people in America. That is all the taxpayers in America have to contribute to this. So we want to take care of the poor people, take care of those at that threshold of Medicaid, but we chose that number to be at 200 percent, and because of waivers, we are at $51,625 for that family of four in Iowa.

This is what the Pelosi Congress passed; the first pass off the floor that went to the Senate, which set Iowa at $103,250 for a family of four. Who in the world thinks that that is poverty, a six-figure income for a family of four, that is a poverty level where you can't sustain your own income or you can't sustain your own responsibilities for health insurance. By the way, who's making that kind of money that doesn't have some kind of arrangements for health insurance?

Well, there is an answer to that, Mr. Speaker. In one of those posters, I think it's this handy poster behind here. Before I go to the next poster, I want to ask the gentleman from New Jersey, at this 400 percent of poverty here, the 300 percent, for 200 here, what kind of creativity does New Jersey have and what one might expect on a chart if one had this set-up for the New Jersey residents.

Mr. GARRETT of New Jersey. Well, New Jersey, as you may know, has not gone up to the 400. New York is, I think, the only State that as of current law, not the bill just approved by the House, under current law, New York has attempted to go up to 400 percent. New Jersey is at 350 percent, which puts us at around, for a family of four, $72,000. Now the median income is around $61,000 or $62,000 for the State of New Jersey, which means you're at the average.

Mr. Speaker, so what are we saying here? We are saying that even those who are above average in income are now going to eligible for socialized welfare payments. Once a month they will get a welfare payment. It won't be in the form of a check, like a normal welfare payment coming to you to cash. Instead, it will be delivered directly to the insurance company, or other method.

What that means is this. For every ten people that you wish to enroll under the plan under the Pelosi method, approximately six those people will already have insurance. So in that last chart you would say up in the $103,000 range. Every ten new children that you bring into the program, these six over here already had insurance. You're only adding these four children over here. But you're doing it at a tremendous cost. You're using taxpayers' dollars now to pay for those children who maybe their parents are making $103,000.

Wouldn't it be so much better if those tax dollars were going to try to find a way to make sure that these four kids had all the, not only insurance, but also the actual health care, which is a question that I think you were bringing up before, because at the end of the day that is really what we should be focused on, making sure those kids have health care. Because it does those four kid absolutely no good just to make sure that they have insurance if they can't find a doctor to treat them.

How many people do you know of, senior citizens who have Medicare and go out and try to find a doctor to accept their Medicare payments, and they find out there's no Medicare doctors receiving Medicare recipients. How many people do you know that are on Medicaid right now, which is an insurance policy, and try to go out and find a doctor who says they are still taking Medicaid patients, and they are not taking them.

Mr. Speaker, we have done nothing if we simply have insured four new children under this SCHIP program if it's set up in such a manner that there is nothing else to facilitate more doctors to be out there to actually get care. We have done nothing to improve the health care coverage, all we've done is a sound bite for the Democrats, saying we improved insurance coverage.

Mr. KING of Iowa. Mr. Speaker, I thank the gentleman.

Mr. Speaker, as you spoke, I put up this chart that tells us about what level of health insurance is there for kids. As you go up the chart here, and I will draw the line at 300 percent of poverty, 77 percent have health insurance; at 400 percent, 89 percent. Then actually up to 400 percent, 89 percent do. Once you reach the level that was passed off here by the majority in this Congress, there are only five percent of the kids that don't have health insurance.

So what were we trying to fix that covered 95 percent of those kids? What was it that had a greater value to this society than people being able to make their own decisions with their own money. I will argue again, this lays the cornerstone for socialized medicine and it pushes kids off of their own private health insurance.

The CBO has some numbers that shows for everyone that would be picked up and put on health insurance, there is another one that has their own health insurance that they will be leveraged off of it. A one-to-one ratio. In that number are 2 million kids that are currently insured by this current program, the bill that will come up again tomorrow, where we will sustain the President's veto. Should we fail to do that, there will be 2 million kids in America that will lose their own private health insurance because their decision will be made let the government pay for it instead.

I call that irresponsible. I call that poor policy. If you believe in socialized medicine, if you believe in a managed economy, if you believe in a managed society, if you believe in less freedom and more dependency, then make the argument, make the argument, Democrats. If that is your vision, stand up and say so. But instead they say no, it is not about socialized health care. This is about kids.

Well, I care about my kids. I care about their future, Mr. Speaker. I care about my grandchildren and their future. And when I hear my colleagues over on this side of the aisle talk about the legacy that we are shaping here on the floor of the United States Congress, they are thinking about the legacy that has been handed to us, down from God through the hands of our Founding Fathers, on to that document where they pledged their lives, their fortunes and their sacred honor, which is the Declaration, and on to the Constitution, this great legacy that has flowed to us, God's gift of freedom, is being diminished day by day on the floor of the United States Congress, trading off our freedom for dependency, trading off our freedom for, even today with the FISA debate, less security.

What is the vision here on the other side of the aisle? I want to hang onto those gifts that we have. I want my children to have more opportunities than I had, not less. I don't want to diminish those opportunities by taking away from them their freedoms, taking away their decisionmaking, making them so dependent that they lose their vitality, that they forget that they have to go out and work, earn, save and invest and plan for and manage their own future.

Even Jimmy Carter said back in about 1976 that people that work should live better than those who don't. Too bad he didn't follow through on that philosophy. But that was a memorable quote that I thought was a memorable one that he made when he was campaigning for President back in Iowa back then, that people that work hard and plan have to have some reward, and if you take their reward away, the hard-earned sweat from their brow, and you require them to pay the Alternative Minimum Tax, because you say you made too much money and the tax rates we made aren't good enough to get all the money we want out of you, so we will add this extra Alternative Minimum Tax on here, and 70,000 of those families have to have the health insurance for their children subsidized because you set up a policy that is closed and cross the loop from independents, from progressive tax, to socialism, then we are here to say, Mr. Speaker, that is wrong.

I take that stand and I draw that bright line. That is wrong. I want freedom. I want personal responsibility. I want to reward the people that make their own decisions. They need to have the freedom that comes with the dollars that they earn to the maximum extent possible.

I will be happy to yield to the gentleman from New Jersey.

Mr. GARRETT of New Jersey. Just one point on this issue of freedom and the opportunities that come from it and therefore the incentives that also lead to it.

We spoke just a moment ago with regard to the 1996 welfare reform package. Back when that was done, one thing that did impact the Medicaid program was a change to who was entitled to benefits. So in the 1996 Medicaid reform, they eliminated Medicaid benefits for noncitizen immigrants. Noncitizen immigrants. That means someone in the country legally, not illegal immigrants, but people in this country legally, so they are non-citizens and immigrants, they were eliminated from getting Medicaid coverage.

Now, the critics of the proposal you may recall at that time said wait, wait, wait. If we are going to take this class of people who are otherwise eligible economically income-wise out of the pool that are eligible for Medicaid, we know what is going to happen. Their health condition is going to deteriorate, and, as importantly, their coverage level is going to go down.

But you know what? For just the point you were saying, the increase in freedom, that did not occur. There was now a new incentive. Since they were not eligible to get Medicaid anymore, there was an incentive to do just what you say, to go out work, either get a job that had health insurance provided for it, or, if not, get a job that paid enough that they were able to buy insurance or do something to the health insurance.

So the result of that group being excluded from Medicaid coverage at that time, from 1996 forward, was an increase in insurance coverage for that class of individuals.

That is what we learned from expanding freedom, expanding opportunity, providing an incentive, as opposed to what is in the socialized Clinton-style health care for illegals and their parents SCHIP plan, is a disincentive and

a phasing out and pushing out for the opportunities for individuals.

Mr. KING of Iowa. I thank the gentleman from New Jersey, and I take you north of the border. We started to hear in the news in the last week or so something that has been brought to our attention here in this Congress where we have some Interparliamentary exchange, and I have sat down with the Canadians perhaps 3 years ago.

They pressed the case that we need to do a better job of controlling our borders because we had people pouring into the United States, coming here illegally, and once they got established here, they realized there were welfare benefits to be had in Canada. And they were having thousands, at that time, about 3 years ago, they had about 50,000 illegal immigrants that they said had poured through the United States and into Canada and they were putting too much pressure on their welfare system.

So I asked the question in that meeting, what percentage of those that arrive sign up and qualify for welfare? Their answer was, Mr. Speaker, virtually 100 percent of them, because that is how the Canadian laws are set up as a magnet.

If you saw in the news this past week, there is a community there not too far north of the border into Canada that has started to raise an issue, and they said they are enclaves that are being created here with illegal immigrants that have been illegal in the United States that have gone on into Canada because the welfare benefits are better.

They interviewed some of them on the street where they laughed and smiled about how it was that their welfare check came on time, there weren't so many snags and snafus in the welfare system in Canada, and they were glad to be there despite of the winters.

That was the message I got, Mr. Speaker. And I think that study in sociology that the gentleman from New Jersey (Mr. GARRETT) has laid out speaks to that, that people will follow a path, and if you grant them a safety net, that is fine. It fits the standards I think of the American people. But when you crank that safety net up, at some level the safety net becomes a hammock. Then they rest back in the hammock and they lose their desire to produce, there is not a reason any longer. So the merit that comes from having to produce, of having that responsibility, is part of what gives us a vitality in this country.

As I started this discussion out in the beginning, I talked briefly about the defeat of communism, the defeat of socialism, the collapse of the Soviet empire, because they found out that a managed economy and socialism didn't work. That when you let people earn, save, work, invest, and they decide when they make their purchases and they decide how they go about doing that, that creates opportunities in a free market system.

□ 2245

You simply cannot manage an economy without it. It manages itself under the free market system, and people have an incentive to go to work because there is a reward for that work. If you take that reward away and you do the great leveler and you make the argument like is being made in this Socialized Clinton-style Hillary-care for Illegals and their Parents, if you make the argument that you make too much money, we are going to take it. And, by the way, we are going to take all of that that comes down someplace in the middle, and then we are going to subsidize your expenses on up to that point, and in fact we are going to cross them to where we are going to tax you on the alternative minimum tax and provide health insurance for your kids, that is the definition of the nanny state. That is a definition of socialism, and that is a definition for a nation losing its vitality, its confidence, its ambition. And the sum total of the individual productivity in America under this plan, Mr. Speaker, goes down. American people will not work as hard. They will not be as prudent and as responsible under this program that they have brought off this floor in this Pelosi Congress, and that diminishes all of us.

We need to be about raising the average individual productivity of all of our people and the quality of our life and raising our own personal responsibility. It is not just economic, Mr. Speaker, it is cultural. It is the work ethic. We used to call it the Protestant work ethic until we figured out that the Catholics got with that program pretty good, too.

But we went to work and we raised our families. We understand that is our first responsibility, then our neighborhood and our community. Also our schools and our churches and our States and our country. God, then country, make this a better place than it was when you came. That is the charge that has been handed to us because we are such grateful beneficiaries of this American Dream that has been passed to us. And we squander it under this program.

We diminish all of us when we increase the dependency, especially when we can't make an honest argument, an argument that speaks to the issue, an argument that says over there, if they just stand up and say "I am for socialized medicine," at least the Presidential candidates, the Democrats, have done that.

They haven't quite done that over there yet. They want to change the subject matter. They are for socialized medicine. We are for freedom. We are for the kids.

I yield to the gentleman.

Mr. GARRETT of New Jersey. Mr. Speaker, I should point out that the dependency and the loss of freedom is not only for the individual, it is for the State, too. What CHIP does is create an incentive for States to add more people onto the program since there is a 3 to 1 ratio as far as the dollars. The State spends $1, and they get basically a 3 to 1 ratio in dollars from the Federal Government.

That means that the State is no longer incentivized to do other creative things to actually improve the health of the kids in the State, just so they can turn around and say we are getting Federal dollars to put the kids on health insurance. So not only do we disincentivize or take away incentives from individuals, we take away incentives from the States to do the right things for themselves. We see it in New Jersey. I am sure you see it in your State.

Mr. KING of Iowa. One other point. This isn't all just about kids on SCHIP. You have States like Minnesota, 87 percent of the beneficiaries are adults, not kids. We need to take these resources and push them down to where they go to the kids that are the reason for this program. We need to provide and maintain this personal responsibility. Two hundred percent of poverty has been a good target for more than 10 years. Four hundred percent of poverty is taking the path to socialism. Three hundred percent is too much. But this program that is before us today is Socialized Clinton-style Hillary-care for Illegals and their Parents.

Mr. Speaker, I will let that be the last word.

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. COSTA) to revise and extend their remarks and include extraneous material:)

Ms. HERSETH SANDLIN, for 5 minutes, today.

Mr. CUMMINGS, for 5 minutes, today.

Mr. WYNN, for 5 minutes, today.

Mr. DEFAZIO, for 5 minutes, today.

Ms. KAPTUR, for 5 minutes, today.

Ms. WOOLSEY, for 5 minutes, today.

Ms. HIRONO, for 5 minutes, today.

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

Mr. POE, for 5 minutes, today and October 24.

Mr. JONES of North Carolina, for 5 minutes, October 24.

BILLS PRESENTED TO THE PRESIDENT

Lorraine C. Miller, Clerk of the House reports that on October 15, 2007 she presented to the President of the United States, for his approval, the following bills.

H.R. 1124. To extend the District of Columbia College Access Act of 1999.

H.R. 2467. To designate the facility of the United States Postal Service located at 69 Montgomery Street in Jersey City, New Jersey, as the "Frank J. Guarini Post Office Building".