

the House. We have 100 percent deductibility for the self-employed in this bill in the House.

Those are things that Republicans have wanted for a long, long time, and the Democrats, who have negotiated in good faith, but may not be exactly where they are in a couple of those things or at least on the medical savings accounts issue, but in their spirit of cooperation and compromise, they said, all right, if we think it is important, they will accept it in the bill and they did.

Mr. Speaker, I am going to close tonight coming back around to where I was before, and that I sincerely hope that Mr. Brian Lamb on C-SPAN is watching tonight. This is the only opportunity a number of us who are not members of leadership ever get to come to the floor of the House of Representatives and for anything other than a sound bite speak on an issue and try to express our ideas in some depth.

Mr. Speaker, I see that we are now joined by a distinguished couple of colleagues from Texas. I am about done, but first I will yield to the gentleman from Texas.

Mr. STENHOLM. Mr. Speaker, I thank the gentleman from Iowa (Mr. GANSKE) for yielding to me and I would like to say that I have enjoyed listening to the gentleman's dissertation regarding the Patients' Bill of Rights. And as a Texan, I would say as an Iowan the gentleman has gotten it exactly right. And I do not understand either how some groups can continue to be as opposed as they say they are when the facts of the matter regarding lawsuits are exactly like the gentleman from Iowa (Mr. GANSKE) has stated.

I, for one, appreciate the gentleman's leadership on this issue, and we as cosponsors of the legislation will look forward to sooner, if not later, getting this legislation on the floor and passed and on the way to the Senate and on to the President.

Mr. Speaker, I appreciate the gentleman's leadership on this issue.

Mr. GANSKE. Mr. Speaker, I thank the gentleman from Texas (Mr. STENHOLM) for his comments.

Mr. Speaker, I notice two other colleagues, the gentleman from Texas (Mr. TURNER) and the gentleman from Texas (Mr. SANDLIN) who have been stalwart in the Patients' Bill of Rights fight. The gentleman from Texas (Mr. TURNER) in fact, worked on it as a State legislator.

Mr. Speaker, I yield to the gentleman from Texas (Mr. TURNER), if he would care to make a comment.

Mr. TURNER. Mr. Speaker, I thank the gentleman from Iowa (Mr. GANSKE). I want to commend the gentleman, first of all, on his leadership on this issue.

The gentleman has truly been a courageous Member of this Congress to try to lead this House to adopting the Patients' Bill of Rights that all of us here have supported. It really represents, I

think, the best opportunity for our new President to try to change the tone in Washington and to be able to move the Patients' Bill of Rights forward as the first piece of truly bipartisan effort.

Mr. Speaker, I think it certainly is within our grasp, and I think that the efforts that the gentleman has made have blazed that trail. And as the gentleman mentioned, I was fortunate to be able to carry one of the first Patients' Bill of Rights in the country in Texas in 1996. And, of course, it was not until court rulings determined that our State protections really did not apply to all patients enrolled in managed care, that we had to deal with that here in Washington.

Mr. Speaker, I thank the gentleman for his leadership on that issue.

Mr. GANSKE. Mr. Speaker, I notice the gentleman from Texas (Mr. SANDLIN) and I want to thank him for his great work that he has done on patient protection. The gentleman from Arkansas (Mr. BERRY) has done a wonderful job on this issue, too.

We have truly worked together in a bipartisan fashion, and I look forward to the day when we can all be together in a signing in the Rose Garden.

#### SO-CALLED ECONOMIC GROWTH AND TAX RELIEF ACT

The SPEAKER pro tempore (Mr. FLAKE). Under the Speaker's announced policy of January 3, 2001, the gentleman from Texas (Mr. STENHOLM) is recognized for 60 minutes as the designee of the minority leader.

Mr. STENHOLM. Mr. Speaker, tonight we Blue Dogs are going to take a few minutes to discuss tomorrow's vote regarding the so-called Economic Growth and Tax Relief Act, and we are going to do our best to explain to all who are listening and to our colleagues and to others why we believe that it is a terrible mistake to bring a tax bill to the floor of the House before we first pass a budget.

Last week, President Bush submitted a budget blueprint outlining how he proposes to fit his tax and spending priorities in an overall budget framework. We welcomed this proposal as the first step in the budget process.

Unfortunately, this House tomorrow is being asked to short circuit the budget process by bringing legislation to the House floor implementing the tax cuts before Congress has had an opportunity to consider the entire budget. Now, a careful reading of the 1974 Budget Act will find that we cannot do that. It is against the rules of the House to bring a major spending bill or a major tax cutting bill to the floor of the House before we get a budget.

Tomorrow my colleagues will hear that technically speaking this is not breaking the budget rules, because technically we are still operating in the year 2000 budget and, therefore, technically this is not against the House rules.

We are going to enjoy hearing the explanation as to why technically we can

break the House rules. Many of my colleagues felt like that with January the 20th coming that we had gotten passed the playing on words of definitions of what various words are, and that we thought we were ready for some straight talk, but we are going to hear from the leaders of this House tomorrow that technically we are going to be legal with the rule and the consideration of this bill.

Mr. Speaker, some of us believe that that is not a positive action. In fact, we believe very strongly that even if it is technically correct, that we ought to live up to the spirit of the budget law, and that is when we will find the Blue Dogs standing shoulder to shoulder bipartisanly with the majority in this House in dealing with the budget process, which will include tax relief.

We have no argument whatsoever that in the budget of this year and over the next 5 years that significant tax relief is in order, and will and are prepared to vote for it, but that is not what we are going to do tomorrow.

Being in the minority when we are overrun, when decisions are made by the leadership that we are going to bring a tax bill onto the floor, we are not going to have bipartisan consideration, it is going to be the bill that the gentleman from California (Mr. THOMAS), the chairman of the Committee on Ways and Means, and the leadership have selected, and that is going to be the bill that we are going to vote on, there is nothing we can do about it, unless we have some of the same kind of bipartisan support that we were talking about with the gentleman from Iowa (Mr. GANSKE) a moment ago. When we find ourselves in substantial agreement and when we have that kind of action on the floor of the House, we truly will be bipartisan, but that is not what we are going to do tomorrow.

Mr. Speaker, the President's plan is an important voice in this process, but it is not the only voice. There are a lot of questions that remain about his budget. We have an honest disagreement about some of his priorities and questions about how he will pay for all of his priorities as identified in his budget without borrowing from Social Security and Medicare. And how many times, Mr. Speaker, in the last several weeks and months, how many times, to those who were here last year, have we voted on lockboxes after lockboxes after lockboxes in which we have stood 400 strong saying we are not going to touch Social Security and Medicare?

Let me issue a little bit of a warning to my colleagues who are going to vote for this tax cutting bill tomorrow, be careful when playing with fire because your fingers may be burned. Examine the budget. Examine the proposals. Examine the projected surplus. Take a good, hard look at where my colleagues are headed with the strategy that my colleagues are following.

We in the Blue Dogs are going to be attempting tomorrow in the short period of time to make our point as strongly as we can possibly make it.

We should not pass the tax cut bill tomorrow. We should first pass a budget. Ironically, ironically, the House Committee on the Budget has scheduled a hearing tomorrow afternoon during the time we are going to be debating the tax cut. The purpose of the hearing is to give Members an opportunity to testify about their interests regarding the fiscal year 2002 budget.

At the very time that Members of this House are being given our first opportunity to offer our input into the priorities for our national budget on behalf of the people we represent, we are being asked to vote on a major portion of the President's budget.

Now, we object to that very strongly, and I will conclude my remarks by saying I was here in 1981. I was one of the Democrats that helped pass the Reagan revolution. Knowing what I knew then, knowing what I know now, I would have voted the same way then based on what I knew then, but that is why I will be opposing this action tomorrow with every ounce of strength at my disposal, because I believe it to be wrong.

Mr. Speaker, I believe that we are in danger of going down the same path we went down in the 1980s in which we increased our national debt by \$4 trillion because we cut taxes first, but never got around to restraining our spending.

We believe very strongly that we should put in place a budget that restrains spending; that caps discretionary spending; that makes all of the priority interests that a majority on both sides of the aisle can agree to, then we should proceed with a tax cut, and it is a part and a component thereof.

No matter how my colleagues color it, we will hear tomorrow, we will hear, we heard today, people saying it was the Congress that spent the money.

I got a fax today from a fine gentleman out in Nevada that says, it is great. We heard you. You ought to have a budget first. It makes sense to the American people, but the reason tax cuts must be passed hastily is because waiting for a budget to pass would give you and your cohorts the opportunity to spend enough money to reduce or remove the tax cut.

Let me remind this gentleman, this body is now in the control of the Republican Party. The Senate is in the control of the Republican Party, and the White House is in control of the Republican Party. Therefore, anyone that fears that spending is going to get out of control means that the majority is going to get out of control, and I do not believe that for a moment, but seemingly you do. That is the message you are sending to the American people.

I repeat, we are for significant tax cuts, but as my colleagues will hear tonight, this much ballyhooed \$5.6 trillion surplus is not real. It is not real. My colleagues will hear some facts from the gentleman from Mississippi (Mr. TAYLOR), and I hope my colleagues listen carefully.

Mr. Speaker, I yield to the gentleman from Texas (Mr. TURNER).

Mr. TURNER. Mr. Speaker, I thank the gentleman from Texas (Mr. STENHOLM) for yielding to me. It is a pleasure to join all of our Blue Dog Democrats on the floor here tonight to talk about what we think is the critical issue of the moment here in the House of Representatives, and that is the fact that we are faced tomorrow with a vote on a major tax cut when this House has yet to follow established procedure under the Budget Act, and try to come to grips with a budget prior to acting on tax cuts.

Frankly, no American household and no business in this country would dare suggest that that is the right way to proceed, because at your house and mine and in your business and mine, the first thing we always know we are supposed to do is to establish a budget first. And until you have established a budget, you do not know how much you can spend on that remodeling of that new sun porch on the back of your house. You do not how much you can spend on that summer vacation. You do not how much you need to set aside for your children's education. That is what a budget is all about.

This House of Representatives, contrary to the spirit of the Budget Act, which requires this Congress to pass a concurrent budget resolution with the Senate before we act on tax cuts is going to bring a major tax cut to this floor tomorrow, apparently, solely to generate momentum for the President's \$1.6 trillion tax cut.

Why are they doing it? I am not sure. The truth of the matter is, the Senate has already let it be known, as the Majority Leader of the Senate, that the Senate will adopt a budget prior to acting on tax cuts.

□ 2145

So frankly, we believe as Blue Dog Democrats committed to fiscally responsible policies that this House, too, should have a budget prior to a tax cut.

The Blue Dog Democrats as a group, the 33 members, voted unanimously to call for this House to act on a budget first prior to taking votes on any tax cut. We have advocated from the beginning that we can afford a tax cut and we want the biggest tax cut possible, but we do not know how big it should be until we first have the debate and have the votes on a budget.

Now we all know that the President says that his tax cut will fit within his budget. He says we are going to cut spending so that it grows no more than 4 percent a year. Senator DOMENICI said the other day that he thought that was a little bit tight, he would suggest perhaps 6 percent irrespective of what the President said is his goal. We all know that at the end of the day, it is what the Congress votes collectively to support and the President signs that becomes the fiscal policy and the budget of this country.

So we believe that the right thing to do is to have that debate, talk about

the competing priorities and then make a decision on a tax cut that fits within that budget that the Congress has agreed upon.

Frankly, right now the President's tax cut seems a whole lot like trying to fit a size 11 foot into a size 6 shoe because there are a lot of competing interests that this Congress from various quarters will have an interest in. For example, this Congress has unanimously agreed that we should no longer spend the Social Security and Medicare surpluses for anything other than Social Security and Medicare. That takes some of this estimated future surplus off the table.

Mr. Speaker, most of the Members of Congress believe that we need to strengthen national defense. There are some that support a national missile defense system. There are some in this House who share our views that education should be strengthened and to do that may require us to put some additional money into public education. There is a vast array of competing priorities.

Most of us do not want to pass on the national debt that was accumulated over 30 years of deficit spending to our children so we would like to see the national debt paid down. All of these competing goals will be considered when this Congress gets down to debating and determining what the budget of this Congress will be. Then we will know how big a tax cut we can afford. So we are going to work very hard all day tomorrow to continue to send the message to this House that it is a budget first that we need to adopt, then let us vote on the biggest tax cut that that budget will allow.

We also understand that it is very dangerous to be basing these big tax cuts on these 10-year projections of what the surplus may be. The President suggested in his State of the Union speech the other night that the American people have been overcharged and they are due a refund. Well, that sounds pretty good. The truth of the matter is none of us have been overcharged yet because the surplus we are talking about trying to give back to the American people has not arrived yet. It is projected to arrive under certain assumptions over the next 10 years.

Those assumptions can be questioned. The economic projections may not turn out to be true. It presumes about a 3 percent annual growth rate in the gross domestic product. We heard Alan Greenspan the other day testify before Congress that at the present time the national growth rate is zero. I suppose if the national growth rate stays at zero for a few more months, the Congressional Budget Office will need to go back to the calculator and recalculate the estimated surplus because they based it on some assumptions that may not turn out to be true.

The bottom line is this: We want a tax cut as big as we can afford, but we also want to save Social Security and

Medicare for the retired baby boomers when we know significant strains will occur on both of those systems. We want to pay down the national debt rather than pass that debt on to our children. We want to be sure that we get the benefits of a lower national debt which will result in lower interest rates which in many ways is equally as good as a tax cut because it puts money in the back pockets of every American who is trying to get a home mortgage, trying to buy a car, trying to borrow money to send their kids to college, trying to borrow money to expand their business.

Lower interest rates will come, according to all economists who have spoken on this issue, if we pay down the national debt. I would say to you if you owe \$100,000 on your home mortgage, if we could reduce interest rates 2 percent which is what some economists estimate would happen if we paid down the national debt over the next 10 years, that would mean \$2,000 in interest savings to you. That is a bigger tax break than any of these tax cuts which are being talked about would give an average American family.

We have a lot to discuss and a lot of priorities to put on the table, and it is going to be the collective judgment of this Congress when they vote on a budget that determines the balancing of those priorities and until we have that budget, we really cannot say with any certainty how big a tax cut we can afford.

That is our message and we believe the American people understand the importance of fiscal responsibility. They understand the importance of strengthening national defense, preserving Medicare and Social Security, being sure that we pay down the debt and do not pass it on to our children. We want to be sure if today we pass a tax cut, it does not mean that our children are going to end up paying for it tomorrow.

That is fiscal responsibility, that is what the Blue Dog Democrats, the 33 members of our coalition have worked for since the inception of the Blue Dog coalition. I am proud to be here tonight with my colleagues who work for fiscal responsibility.

Mr. STENHOLM. I yield to the gentleman from Texas (Mr. SANDLIN).

Mr. SANDLIN. Mr. Speaker, I want to commend the gentleman from Texas (Mr. STENHOLM) for the fine work that he has done on this issue and for leading the Blue Dogs and for his comments tonight, along with the gentleman from Texas (Mr. TURNER). They have done such an excellent job, there is very little left to speak about.

The Blue Dogs believe that the American people are entitled to a tax cut. We believe that we can afford a tax cut, and we support tax cuts for the American people.

The question is the \$1.6 trillion tax cut proposed by the administration too much. On the other hand, is it too little? Could it be just right? We just do

not know, and we do not know because we do not have a budget, we do not have a spending plan. We have absolutely no way to judge this tax cut.

We do have the opportunity to look at the numbers proposed by CBO and by the administration. And let us look at that for just a moment and see where we are. The CBO 10-year baseline surplus is \$5.644 trillion.

When you take off the Social Security surplus and the Medicare surplus, that is \$2.5 trillion and \$0.4 trillion. That is an available on-budget surplus of \$2.7 trillion, and I think it is important that we make a distinction between the available on-line budget surplus, \$2.7 trillion, versus the 10-year baseline surplus of \$5.644 trillion.

Now, let us look at the true cost of the Bush tax cut. The estimate of revenue lost from the basic tax package by the administration is \$1.6 trillion. The cost of making the provisions retroactive to 2001 is \$100 billion. The cost of interference from the AMT tax, \$300 billion; cost of extending expiring tax credits, \$100 billion; promised tax cuts not in the plan, \$100 billion; additional interest payments on the public debt, \$400 billion. The total cost of keeping the President's tax promises, all of the promises made thus far, the total cost is \$2.6 trillion.

This means that nearly the entire 10-year projected surplus will be used up by the administration's tax cut. Now, it is important that we notice that that is a projected surplus over 10 years. This is not money that we have in hand. We do not have a surplus of cash in hand. This is money that is projected to increase over a 10-year period.

Where, oh where is the budget. We were promised that we would have a budget prior to voting on tax relief. Also the rules require it. For some reason the United States House of Representatives is not going to follow the rules. I thought we got over the technicalities and our friends on the other side of the aisle last year, talking about legal technicalities, now seem to be in support of that. It is totally irresponsible to enact these tax cuts at the present time without a budget because how can we address Medicare and the problem of Medicare as the baby boomers retire and go on Social Security and qualify for Medicare payments? What are we going to do in America for prescription drugs. How can we look our seniors in the eye and tell them we passed massive tax cuts and now that you need relief, we have spent the money? How can we tell the farmers facing drought, facing ice storms, we cannot help you, we spent the money?

How can we tell our children in education, how can we tell our children, we cannot close the digital divide, we cannot have smaller classrooms, we cannot modernize our schools, we cannot help with education, you know why, we spent all of the money because the administration tax plan uses up the entire 10-year projected surpluses?

There is a way to do it. The way to do it is to spend Social Security surpluses. Social Security is a solemn promise we made to senior citizens. In my district in Texas, I have many senior citizens. In fact, I have the highest median age of any district in Texas.

Social Security is the one program that the government has enacted that has had the most effect of our senior citizens and has pulled more senior citizens out of poverty than any other action in the history of the United States of America. How can we tell them that we are going to spend that money that was accumulated from a lifetime of work, how can we tell them that we are going to spend that money with tax cuts now.

Tomorrow we are going to talk about across-the-board tax cuts. Let us talk about what that means. Across the board. That seems to indicate that everybody shares. It is across the board. Everybody gets the benefit. Is that what it is? Absolutely not.

Most people would be surprised to hear that across the board does not include them. If people at home today looked to their left, their right, in front of them and behind them, called their friends on the phone, they are not going to find anybody that benefits from across-the-board tax cuts because the truth is that 44.3 percent of the cuts go to the richest 1 percent of the people. Everyone does not share in this tax cut. Very, very few do.

Now, what is the best tax cut we can afford. What is the best thing we can do for the American people? We can pay down the debt in this country. We have a balanced budget, but that means that our income matches our out-go for this year. The best tax cut for America is to reduce interest rates. The way to reduce interest rates is to pay down the debt.

The Blue Dogs have a very good plan, a simple plan. We say take Social Security completely off budget. Do not consider that in our financial sheets, do not spend that money. Take it off budget. Take the remaining operating surplus, take 50 percent of that and immediately put it on the debt of the country. Pay down our debt just like our farmers and families and businesses do. Pay our debt. Take the interest that we save by paying our debt, and put that into Medicare and Social Security and make sure that we keep our commitments. Take the other half of the surplus, use 25 percent for tax cuts, we can do that. We can look at estate tax and the marriage penalty and capital gains; we can look at the rates. We want to take 25 percent and give the American people a tax cut. They deserve it; we can afford it. Then take 25 percent and apply in priorities such as agriculture, education, prescription drugs, things that we know we must invest in in this country. That is the fiscally responsible thing to do.

The Blue Dogs are committed to a 50-25-25 plan, and we have seen some movement in the U.S. Congress toward that plan. Let us be responsible.

Please, Mr. President; please, administration; please, our friends on the other side of the aisle, send us a budget. Let us know what we are working with. Do not ask us to cut a revenue stream when we do not know what we are going to spend our money on. Let us operate like every family farm in America, like every business.

□ 2200

Everyone has to know what their budget is before they determine what their expenses will be and what their revenue stream is.

Herbert Hoover, he of fiscal fame, once said, "Blessed are the young, for they shall inherit the national debt." We do not need another Herbert Hoover. We refuse to be Herbert Hoovers on this side of the aisle. We need to pay down the national debt and keep a fiscally responsible financial policy in this country.

So our message is clear from the Blue Dogs: we support tax cuts. We can support many of the tax cuts proposed by the administration, but we can only support those tax cuts after we receive a blueprint for spending, a budget for the United States of America. Let us follow the rules set in the United States House of Representatives. Let us get a budget. And when we get a budget, we will work with the administration, work with our friends on the other side of the aisle, we will get tax relief for America and have a fiscally responsible policy.

GENERAL LEAVE

Mr. STENHOLM. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks on the topic of this special order.

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

There was no objection.

Mr. STENHOLM. Mr. Speaker, I now yield to the gentleman from Mississippi (Mr. TAYLOR). A lot of talk tonight has already been made about surpluses, debt and deficits. I hope everyone will pay particular attention to the facts about to be presented by the gentleman from Mississippi.

Mr. TAYLOR of Mississippi. Mr. Speaker, I want to thank the gentleman for this opportunity, and I want to invite my Republican friends to join this debate. I think it is important that some of the statements that have been made this week, this year, about this large surplus be addressed tonight.

In fact, tonight I have the greatest of medical respect for one of my colleagues, who is a doctor, the gentleman from Iowa (Mr. GANSKE). I have actually changed my vote on the House floor a couple of times on medical matters based on conversations with him. But the gentleman from Iowa said something tonight that is totally out of line. He spoke about a \$5 trillion surplus. I heard it with my own ears. So if I heard him wrong, I would invite him to please come correct me.

There is no \$5 trillion surplus. What we have in this Nation is a \$5,735,859,380,573.98 debt. That is as of the end of last month. We hear from so many of our colleagues that the debt is being paid down; the debt is being paid down. I think the President even said it. But the truth of the matter is that the total debt outstanding, as of September 30 of the year 2000, just 5 months ago, the last day of the last fiscal year, was \$5,674,178,209,886.86. That means that the debt, just since September 30 of last year, has increased by \$61,681,170,680.12 cents.

That is the reality that the President did not mention in his State of the Union address. That is the reality that my friends who talk about projected surpluses choose to ignore. Because the reality is this Nation is horribly in debt, and almost all of this debt has occurred in our lifetime. Our Nation was less than \$1 trillion in debt when the vaunted Reagan tax cuts took place. They talked about how it grew the economy and the Nation was so much better for it. Well, if the Nation was so much better for it, why were we twice as deep in debt at the end of the Reagan administration as when we started?

Who do we owe this money to? A lot is owed to banks. A third is owed to foreign lending institutions. But let me tell my colleagues the real kicker, because this involves every single person listening tonight if they have ever worked in their life, or if their spouse has worked. Our Nation owes the citizens of the United States who have invested their hard-earned money into the Social Security Trust Fund \$1.7 trillion.

The lockbox that so many of my friends talk about, that they are so proud that they voted for, if we were to open that lockbox that allegedly protects our Social Security, all we would find in it is a slip of paper that says, "We owe you \$1.7 trillion." There is not a dime in it. It has all been spent on other things to disguise the true nature of the debt.

We hear a lot about the Medicare Trust Fund. And again Congress has voted repeatedly for a lockbox. We have a lockbox so we are protected. If we were to open that box up we would find a piece of paper that says, "I owe you \$229.2 billion. That is right now. That is today. That is money that was taken out of paychecks with a promise that it would be set aside to pay for benefits when the time came to pay for them.

Incidentally, this was done during the Reagan Presidency. In the first year of the Reagan Presidency they cut income taxes, much like we are talking about doing tomorrow, at three different times during the Reagan Presidency, with a Republican Senate and a Democratic House. We keep hearing it was the Democrats that did this. They had the White House and they had the Senate. And of course everyone knows the Senate is more powerful than the

House. That is why House Members run for the Senate. Senators never run for the House. It is just understood. So they controlled the White House, which is two-thirds, because a veto is worth two-thirds vote in both Houses. They controlled the Senate, which is where the real power is, and that is why everyone runs for the Senate, not for the House. Yet somehow the Democratic House gets blamed for these things.

During that time they raised taxes on Social Security and they raised taxes on Medicare for the average working Joe by 15 percent. Fifteen percent. Big guys got a tax break, because income taxes, which is what came out of their paycheck, went down. The little guys, like the folks I represent in Mississippi, their taxes went up. It is even worse. Because if one of those little guys happened to be self-employed, if he was a pulpwood hauler, if he was a shrimper, if he was an oysterman, if he was his own boss and his own employee, his taxes on Social Security and Medicare went up by 33 percent. That was due to the Reagan tax increases, with a Democratic House and a Republican Senate. It is only fair we point this out.

It gets worse. One of the guys who is talking about this big surplus and, therefore, we can have a tax break, is none other than Alan Greenspan. Alan Greenspan was the chairman of the commission that came up with this plan in 1983, to take money out of people's paychecks with the promise it would be set aside, and he knows it was not. Now he is telling us we have all kinds of money for tax breaks. Mr. Greenspan's statement in 1983 does not match his statement today. I wish he would come to the House floor and tell me which one is the truth.

It gets even worse than that. Back then they recognized that we have a changing demographic system in our country. We are getting old. I am one of them. We used to have, when my dad was a teenager, about 19 working people for every one retiree. By the 1950s, it had dropped to about 10 working Americans for every one retiree. Tonight it is about three working Americans for every one retiree. In just a few years it will be two working Americans for every retiree. So in the 1980s they told the American people that they were going to start taking money out of things like Social Security, like Medicare and, yes, the military budget to fund future benefits.

They told the guys in the military back then, we are going to start taking a percentage of the budget every year and we will set it aside and we will lock it up, and they said it would be there to pay for their retirement. So if there was a lockbox, which I have never heard the President talk about for the military trust fund, and if those retirees could open it up, they would find another piece of paper. What we are going to tell those guys who defended this Nation in World War II, who defended this Nation in Korea,

who defended this Nation in Vietnam, in Desert Storm, and all the wars since then and all the wars that will be? There is an IOU in there for \$163.5 billion. It is an IOU.

There is not one penny in that fund. Although all these years, since the early 1980s, funds have been taken out of the Department of Defense budget that could have gone for new ships, could have gone for new planes, could have gone for better housing, and could have gone for better pay. The promise was made that we would take this money and set it aside. It is not there. All there is right now is an IOU.

How about the folks who work for us? I am proud of the opportunity to be a Congressman. I am incredibly proud that I have had the opportunity to make things better. We put together budgets, we make laws, but the day-to-day function of the government is actually handled by all those Federal employees out there that make things work. We collect money out of their paychecks with the promise that it will be there for their retirement pay. Same story. Happened in the 1980s. Because we recognized we have changing demographics, so we had better collect the money now, while we have a fairly large workforce and a fairly small number of retirees, and set it aside for the year 2035 when we are down to almost one to one workers-to-retirees.

So since the early 1980s, they have pulled \$501.7 billion out of Federal employees' paychecks, all these nice people here tonight, all those Capitol policemen guarding us, all those folks working for NASA and the agencies that are out there trying to make our lives better. They have pulled that out of their paychecks with the promise they were going to set it aside and it would be there for their retirement. But if we were to open that bank account tonight, we would find an IOU for \$501.7 billion. How can the President, how can the majority leader, the Speaker of the House say there is a surplus? How, with a straight face, do they look the American people in the eye and say there is a surplus when this is our true debt?

A lot was made of the surplus last year. Everyone said about a \$239 billion surplus. But if we take the time to look where it was, it was in things like money collected from Social Security, money collected from Medicare, money collected from the military retirees, from our Federal employees, from the highway system, and the airline system. All the times when we told people we were going to take this money out of their airline ticket, out of their fuel taxes and their paychecks and we were going to set it aside, and they trusted us to spend it on those things that we told them we would, that is only surplus.

When we take those monies aside that are collected for a specific purpose and promised for a specific purpose, it was an \$8 billion surplus left over. Eight billion. Not \$230 billion, \$8 bil-

lion. But it gets even worse than that. Because if we really take a good look at that \$8 billion, we can discover that one of the tricks the Republican Congress played was to delay the pay of the troops from September 29, which they would have gotten it under normal circumstances for many, many years in the past, to October 1.

Everybody knows Congressmen make big money. I am one of them. If my pay gets delayed by a couple of days, I will do okay. I will figure it is not that big a deal. But if I was an E4 with two kids, and my pay was delayed from a Friday to a Monday, that means a weekend of scrounging around in the couch looking for pennies and nickles to get enough money for baby formula or for diapers, because they are living hand to mouth. It is estimated that anywhere from 6,000 to 13,000 of them are eligible for food stamps. So what does the Republican Congress do to tell those folks we appreciate them? Well, they became the only people in the Federal Government whose pay was delayed. Not Federal employees, not Congress, just the military.

Why did they do it? Because that pay period moved from the last fiscal year to this fiscal year. We did not save a dime, but that \$2.5 billion pay period went from September to October, and it made that \$8 trillion surplus look a little bigger. Because when we pull that \$2.5 billion out, it is only a \$5.5 billion surplus.

Now, if I found that one trick, what if I really had the time to study the budget and find all the other tricks? I think I could tell the American people that there was not a surplus. But let us say there was an \$8 billion surplus. What does that mean compared to this cumulative debt? Eight billion dollars, compared to this, is like a fellow who, after 30 years, finally breaks even at the end of one year. He has \$1,000 left over, and he says, My, God, let us go have a good time, totally ignoring the fact that he is \$686,000 in cumulative debt. That is what the ratio is.

So I have a real simple question for the President, a real simple question for Mr. Greenspan, who again was involved in raising Social Security taxes and Medicare taxes, and who now says we have all this money left over despite this huge deficit. If they believe what they say, about we can do it after the trust funds, why do they not endorse the amendment I offered in the Committee on Rules today, which says we can only have these tax breaks in years when we fulfill the financial obligations to Social Security, to Medicare, to our military retirees, and to our civilian employees?

□ 2215

If you really think the money is out there and you are sincere about those things, I will give you the chance to call a press conference tomorrow morning and say, "Yep, there's enough money to do it." I do not think you will. Because I think they are more

concerned with tax breaks than with paying our bills. What the shame about that is, think of the guys who died on the beaches of Normandy. Think about every generation of Americans, from the horrible things that happened to the men who signed the Declaration of Independence, to the kids who died in Vietnam, to the kids who died just this weekend, the National Guardsmen down in Georgia. Do you know what the difference between us and all those other generations is? If we continue down this path, we will be the first generation of Americans ever to leave the Nation worse than we found it, because we have done the easy thing every time rather than the right thing.

I as a father have taken the steps to see to it that my kids do not inherit my debts. Do you not think that it is time that our Nation takes the step to see to it that our kids do not inherit this generation's debts? I think the opportunity to start is tomorrow. That is why I laud what the Blue Dogs are doing. That is why I laud what those conservative Republicans who really do care about debt reduction are going to do tomorrow.

Mr. TURNER. Mr. Speaker, I want to say that the gentleman from Mississippi has made a very excellent presentation and probably revealed the best kept secret in Washington, and that is that there are no trust funds. Most folks think that in business, where if you have a pension fund, there is some money sitting over there earning some interest and invested in some good investments, earning interest and earnings for the folks that are going to be drawing on that pension fund someday. But in Washington there is no Social Security Trust Fund, there no government retirees' trust fund, there is no military retirees' trust fund, there is no Medicare Trust Fund. It is a pay-as-you-go system.

Mr. TAYLOR of Mississippi. Despite the promises made by Ronald Reagan and Alan Greenspan in the 1980s when they raised individual taxes by 15 percent on working Americans to pay for these things. The gentleman is exactly right. If I may, and I know everyone else wants to speak so I am going to be real quick. It is even worse than that, because in their attempts to disguise the true nature of the public debt, within 8 days of the Bush administration taking over the running of this country, a report that had been coming out monthly for decades called the Monthly Statement of the Public Debt of the U.S. right here that shows that our Nation was over \$5.7 trillion in debt. Within 8 days of the President taking over, they changed the name. It is no longer the Statement of Public Debt, it is the Statement of Treasury Securities.

Most of us are from the South. Most of us know what coffee houses and truck stops are like. We all could imagine going into one in Texas or one in Mississippi or Alabama or Arkansas and going up to one of those guys and

saying, "How would you like some public debt?" I think everybody would say, "No, thanks, I don't want any." But if you asked most of the guys we know if they would like some Treasury securities, there is a pretty doggone good chance that they would say, "Yeah, I'd like some. That sounds like a good deal." It is all part of the scam. I resent it as an American. I hope every American resents this. I hope they resent the fact that the Social Security Trust Fund has been plundered, that the Medicare Trust Fund has been plundered, that the military retirement trust system has been plundered and that the Federal employees' retirement system has been plundered. And I do not think we ought to be doing anything until we pay those systems back.

Mr. STENHOLM. I thank the gentleman from Mississippi for those remarks. I will guarantee that that will not be the last time that this House will hear it this week, next week and the week after that. And I hope that the leadership of this Congress will pay attention to the gentleman from Mississippi, because he has in fact taken the real heart of the argument that we Blue Dogs are making tonight and that we will take to the floor tomorrow.

Mr. Speaker, I yield to the gentleman from Arkansas.

Mr. BERRY. I thank the gentleman from Texas for yielding. I want to thank him and the gentleman from Mississippi and all the other Blue Dogs for their leadership in this matter.

I think it is quite obvious, Mr. Speaker, that the Blue Dogs are in favor of cutting taxes but we are not in favor of buying lottery tickets with our children's future. We think we should have a budget first. If you took the financial condition of this country, as the gentleman from Mississippi just so adequately pointed out, and a financial plan that we have today, that this country has to a banker, any banker in the United States or anyplace else where there is a responsible banker, they would just throw you out of their office. They would either declare you crazy or tell you to get out because they have got better things to do.

Throughout the campaign, in the State of the Union, for the last year, this House has been putting the Social Security and Medicare Trust Funds in a lockbox. Ever since I have been here, we have been talking about that. We have been talking about paying off the debt. We have promised the American people that we are going to protect our children, we are going to protect Social Security, we are going to protect Medicare, we are going to provide a prescription drug benefit for our seniors, we are going to provide a good education for our children, we are going to provide for a good national defense, we are going to have a solid agriculture that has a good safety net. And we are going to have these lockboxes. Over and over we talk about the lockboxes and over and over we vote to put this money in the lockboxes. And now we

find out that it does not even exist. Yet we are going to vote tomorrow without even having a plan as to how we are going to accomplish these things.

As the gentleman from Mississippi just so adequately pointed out, the surplus is projected just like we project the weather. The debt is real. It really exists. We can count it to the penny. I am proud to be a Blue Dog. There are only 33 of us. But we stand strong and we stand tough against making bad fiscal decisions and irresponsible fiscal decisions. I think we all want to have as large a tax cut as we possibly can afford. But none of us want to buy lottery tickets with our children's future.

In the last paragraph of the Declaration of Independence, the last thing that is there before the men signed it, and they all knew they were putting their lives on the line when they signed it, they said that they pledged their lives, their fortunes, and their sacred honor to the future of this country and to that declaration. I would challenge the Members of this Congress today to stand strong as those men did and do the right thing for the children of this country and the future of this country.

Mr. STENHOLM. Mr. Speaker, I yield to the gentleman from Kansas (Mr. MOORE), the cochair of the Blue Dog Budget Task Force.

Mr. MOORE. Mr. Speaker, about 3 weeks ago I was invited along with 19 other Members of the House and five United States Senators to the White House to meet with President Bush and Vice President CHENEY. This was a chance for President Bush to talk to us about his proposed \$1.6 trillion tax cut and try to hear from us about our views on this tax cut and to find out where the Congress might stand. When it was my turn to speak to President Bush, I said to him, "Mr. President, I know that you know Governor Bill Graves of Kansas. I'm from Kansas."

He said, "Yes, he's a friend of mine."

I said that I read an interview with Governor Graves in the Associated Press about a week before I came to the White House and that Governor Graves I thought was very candid in talking to the reporter and he was talking about tax cuts and revenue shortfalls and education funding in the State of Kansas. The governor said during this interview, when he was talking about tax cuts that had happened in Kansas about the last 3 or 4 years, "If I had known then what I know now, I would have done some things differently." He is not here right now but if he were here, I think he would say that I am accurately representing what he said. Basically what he was saying was, "We cut taxes too much and now we're having great difficulty in Kansas in trying to come up with the money to fund education."

In fact that very morning on the front page of the New York Times, and I showed a copy to President Bush, there was an article that mentioned Kansas by name and 15 other States and the governors were meeting talk-

ing about the same situation in each of those 16 States, where there were projected revenues, there were shortfalls and they were having problems funding vital services in each of those States.

What we are talking about here is a Congressional Budget Office projected surplus of \$5.6 trillion over 10 years. And President Bush is now saying we have enough to fund a \$1.6 trillion tax cut. Yesterday afternoon I got a call from the Director of the Office of Management and Budget, Mitch Daniels. Mr. Daniels said to me, "Congressman, can you be with us on this tax cut?" I suspect prior to the time he called me he knew that I had voted last year for estate tax relief and for marriage penalty tax relief.

I said, "I want to be direct with you."

He said, "Please do."

I said, "I have a couple of concerns about this tax cut and projected surpluses." I said, "Number one, there is not a budget. And I think we should have a budget before we implement or enact a new tax cut." This is last Sunday. I said, "Number two, I'm going to Washington on Monday so I can vote on this tax cut bill." And I said that I was watching the weather last night and they were projecting in Washington, D.C., a 12-inch snow. I was very concerned with that projection that I might not make it back to Washington for the tax vote. As it turned out, the projection, only 24 hours in advance, was very wrong and there was no snow to speak of. And now we are talking about projections on economic conditions 5 and 10 years out. And if a projection for a weather forecast can be that wrong, 12 inches wrong in only 24 hours, think what can happen to economic and financial projections 5 and 10 years out.

The people in Kansas and the people around this country I think live by three very simple rules, they are not written down, they are just common sense and people know innately and understand these rules. Number one, don't spend more money than you make. Number two, pay off your debt; and, number three, invest in basic needs in the future. The basic needs for a family are food and shelter and health care and education and transportation. The basic needs for a Nation are national defense and Social Security and Medicare, and a highway system, things of that nature that we all would agree on. And people out in the country wonder why Congress cannot learn to live by the same budgeting and financial rules that American families do. We have the opportunity for the first time in a whole generation, after 30 years of deficit spending, to do the right financial and fiscal thing, the right thing fiscally for our country, and, that is to live within our means and to start to pay down our national debt.

They have already told you, some of the other speakers here this evening, about the benefits. But one that they

did not mention is this. In 1999, the third largest category of expenditure by our United States Government after defense and Social Security was interest on the national debt, \$230 billion. If we start to do the right thing, we can pay down that figure and we can reduce that figure and live within our means. I think we should do that, Mr. Speaker, for our children. We have placed a \$5.7 trillion mortgage on their future. We owe it to them.

Mr. STENHOLM. Mr. Speaker, I yield to the gentleman from Tennessee.

Mr. TANNER. Mr. Speaker, I want to thank the gentleman from Texas and the other Members who have been here tonight to talk about this. We have heard a lot of talk about the fact that we think we need a budget first and we say that because, as one of the speakers said, that is the only way you have a business plan for the country, it is the only way you have a budget for a family, is to put this in some semblance of order. But the real question is why do we say we need a budget, a universe within which to work on these competing interests, whether it be paying down debt, tax cuts, increased spending for the military. The reason that we do is because we want to do the right thing for the children of this country in terms of fiscal discipline.

As the gentleman from Mississippi said, if we do not get a handle on this now, we will be the first generations of Americans to actually leave this country worse than when we found it.

So why do we say we need a budget first? First of all, we want to protect the trust funds that the gentleman from Mississippi talked about. Those are solemn promises and all we have to give to back them up right now are IOUs. The second thing we think we ought to do and we must do is pay down the national debt. Why is paying down the national debt important? There are 280 million people in this country. We have a total debt, according to the government, of \$5.7 trillion, thereabouts.

□ 2230

Of that, \$3.4 trillion is publicly held debt. That means that each one of us owe \$12,140 apiece, per person. That means for a family of four that is going to get this \$1,600 in 5 years that they have talked so much about, that means their share of the public debt is \$48,600.

Now, Mr. Speaker, that just includes the publicly held debt of \$3.4 trillion. If one adds the other debt, the Social Security debt and the things the gentleman from Mississippi (Mr. TAYLOR) talked about, we have a \$20,300 per person debt on our head when we are born as American citizens. For a family of four, that is \$82,000.

The proposal that has been put to us from the White House proposes \$590 billion less in debt reduction from now until 2005 during this President's term than present law provides. Do we know what that means to a family of four? It means their share of this debt that we

have will increase unnecessarily by \$8,000.

Where I come from, as the gentleman from Kansas (Mr. MOORE) said awhile ago, one of the things we think about in Tennessee is do not spend more money than you make but pay your debts. If you have some extra money coming in and you owe somebody, you do not go buy a new car and leave that somebody that you owe still waiting for their money. You go and pay them because that is the thing to do.

If we do not keep our eye on the ball and continue to pay down this debt, then I will be ashamed to say, but I will have to admit, that I was one of the first generations of Americans who left this country worse than when we found it.

We do not know what it is going to do to national defense. There are some defense needs in this country that all of us know about, not the least of which is our obligation to the military retirees, our obligation to the men and women who are giving us their productive years that are in the uniform service of this country. They need more pay allowances. We need to modernize their equipment.

Agriculture, a nation that cannot feed and clothe themselves internally is at risk to whatever extent that food supply is interrupted. Agriculture is truly a national security concern. So when people say well, all you guys are doing down here is whining about the fact that you are not in the process, that this process has left you behind and you are whining about it. Well, let me just say this: The process that we put in place with the Budget Act and the process by which we govern ourselves is the only thing that separates this country from a dictatorship or from communism or anything else. You do not have to worry about process if you live in a dictatorship. You do not have to worry about process if you live under communism. There is none.

Process is important, and that is why we are here to try to get some process in place so that we can intelligently make some decisions, if that is possible, make some decisions that are going to leave this country better, not worse, than when we leave here.

Mr. STENHOLM. Mr. Speaker, for our cleanup hitter for tonight, one of our newer Blue Dogs from California, fastly becoming one of the leaders for a fiscally conservative budget, the gentleman from California (Mr. SCHIFF).

Mr. SCHIFF. Mr. Speaker, this year we will have a large tax cut. We will have a large tax cut that provides tax relief to every taxpayer, that addresses estate and marriage penalties as well. That we know for a certainty. The question, of course, of how large and who will be the primary beneficiaries is as yet undetermined, but we know that we will have the largest tax cut that we can afford.

Will we have a solvent Social Security system? Will we have Medicare with a prescription drug benefit? Will

we have an adequate educational system? Will we pay down the national debt? These questions we do not have an answer for. Now, why is that? Why is that that we can say with absolute certainty right now we can have a massive tax cut but we cannot say whether Social Security will continue? We cannot say whether Medicare will be solvent? What does this say about our priorities as a nation? It says we do not put Social Security first. We do not put Medicare first. We do not put the needs of our children first.

Now, why is this? Why are we going forward with no budget? Why are we going forward with a bill that could have a major impact in this country for 25 years with no budget? Why is it so important that we act on this right now? Well, the argument that is made is that we need to spur the economy right now. Well, let us set aside the fact that even Alan Greenspan says that the use of fiscal policy in the form of tax cuts does little to affect the immediate condition of the economy. Let us say that we agreed with that philosophy. Why does that mean that we take action on a bill right now that will affect us in 5 to 10 years? If we are concerned about spurring the economy now, let us do something to spur the economy now. Let us not make a decision about expenditures 5 to 10 years from now that will have no effect on today's economy.

No, we are taking action right now on a bill that will have an effect on the next generation. We are doing it without a budget in place. We are doing it on the basis of projections we know are incredibly speculative. We are doing it at a time where the interest on the debt we pay every day is a billion dollars; a billion dollars a day we pay in interest on the national debt.

No, we are going to ignore the promises both parties made during the last campaign of paying off the debt by 2012 or 2013. That is out the window. We are going to ignore the promises made by both parties during the campaign of providing prescription drug benefits to seniors. We are going to ignore our promises to set aside Social Security and Medicare. No, we are going to pass this bill right now and then we are going to worry later to see if we can afford it.

Now I am just a freshman in this institution, but even a freshman can see this is no way to budget for a nation or a family. In families across America, people have very basic principles: Pay your bills; live within your means; provide for your family's future; provide for your country's future. This process does not meet that very basic standard.

Let us have a budget first. Let us have a budget that we can be proud of, not only today, tomorrow and this year. Let us have a budget that we can be proud of 10 or 20 years from now, because what we are doing this week, make no mistake, will affect this country for the next quarter of a century. I do not want to look back on my period

in Congress and say that one of the first acts that we did when I entered the Congress was something that set this country back on the path of deficit spending, increased national debt, that we did the fiscally irresponsible thing. Let us have a budget first.

Mr. BOYD. Mr. Speaker, today we are going to set the course for the nation for the next decade. The President is betting the farm on a two trillion tax cut based on ten year economic projections. I would like to talk to my colleagues a little bit about these projections. As we all know, these projections are prepared twice a year by the Congressional Budget Office, once in January and once in July. In six short months the Congressional Budget Office changed its ten year estimate of the surplus by one trillion dollars.

While this is very good news for those who want the largest possible tax cuts or new spending programs based on the surplus, it troubles me greatly that we are prepared to risk the balanced budgets we have enjoyed over the last four years on estimates which can change so drastically in a six month time frame. My concern is that what the Congressional Budget Office gives today, it can take away tomorrow.

If you look closer at the projections, it becomes even more problematic. Almost 70% of the 5.6 trillion dollar surplus does not materialize until after 2006. What will the economy look like in 2006? What problems will face our nation in 2006 that need to be addressed? Will the 505 billion dollar surplus that is estimated for 2006 really be there? Saying this is a certainty is like predicting what the weather will be like five years from now. Allocating the vast majority of the non Social Security surplus for a tax cut in this situation is like betting the family farm on a roll of the dice.

Even the Congressional Budget Office warns about using its estimates, the same report that projects a 5.6 trillion dollar budget surplus also states, "The longer-term outlook is also unusually hard to discern at present. Many commentators believe that major structural changes have created a "new economy," and that belief influences the economic projections described in Chapter 2. However, CBO's projections, like those of other forecasters, are based on very limited information about just a few years' increased growth of productivity and strong investment in information technology. Projections of those recent changes as far as five or 10 years into the future are highly uncertain."

This is why I believe it is important that we treat the projected surplus as a projection, not reality. A possibility, not a guarantee. Because of the uncertainty surrounding the projected surplus, I have promoted a responsible plan developed by the Blue Dog Coalition. Under our budget proposal, 50% of the projected non-Social Security surplus is set aside for debt reduction, 25% is set aside for tax cuts, and 25% is set aside for priority spending like education reform, strengthening our national defense, and a medicare prescription drug plan.

This plan puts the emphasis where it should be—on paying down our nation's 5.7 trillion dollar national debt. It also has the added advantage of a cushion if the surpluses do not materialize. 50% of the projected surplus is not allocated to new spending programs or tax cuts, if the Congressional Budget Office is

wrong, then the worse thing that can happen is that we would have not reduced the debt by the amount expected. In contrast, under the President's and Republican Leadership's plan, if the Congressional Budget Office is wrong, then we will very quickly have to use the Social Security and Medicare surplus to pay for the tax cuts we enact today.

My colleagues, we are gambling with our future and our children's future today. What the Republican leadership is forcing upon us is wrong. No family or small business owner that I know would spend a huge chunk of his money without knowing what their budget would be first. I urge you to reject this risky plan and work with the Blue Dogs to develop a budget first, which honestly addresses all of our common priorities and will provide the largest tax cut we can afford. By developing a budget that balances substantial tax cuts with realistic spending levels and a serious commitment to paying down the national debt, we will be ensuring a strong economic future for our country and our children.

#### THERE SHOULD BE NO DEAL FOR THE ALLEGED SPY HANSSSEN

The SPEAKER pro tempore (Mr. GRAVES). Under the Speaker's announced policy of January 3, 2001, the gentleman from Colorado (Mr. MCINNIS) is recognized for half the time remaining before midnight.

Mr. MCINNIS. Mr. Speaker, I am looking forward to addressing some of the comments made here in the previous moments. There are 10 or so of my colleagues so I have plenty of stuff that I would like to visit with in regards to that. First of all, though, there are a couple of other issues I want to address this evening. One of the issues regards the suspected spy Hanssen who was arrested not very long ago. Of course, all of us in these Chambers know exactly what that story is all about.

I also wanted to talk next, move from there, into the tax cut, the tax program. I intend fully to address some of the comments that have been made. I certainly plan to take exception with some of the doctrine of fear comments made by the gentleman from California and so on, but if we have time I then want to move from that into the death tax and address what some of the multibillionaires in their ad in the New York Times said. I should point out that these people who signed that ad, who support a death tax, who believe that death is a taxable event in this society, those multibillionaires who signed that ad have already formed their foundations. They have already done their estate planning so that they do not feel the pain that all the rest of us are going to feel if we happen to fall in that bracket and we are not that wealthy to provide for that kind of estate planning.

In my opinion, those people in that ad, not many Members on the floor, not my colleagues but those people in that ad represent the height of hypocrisy, and I hope that some have an opportunity to read my comments that I hope to get to this evening.

Let us talk, first of all, about the spy. I was very, very discouraged to read probably at the end of last week that in the negotiations, if these negotiations take place, for a plea bargain with this spy, who sold out his country and who sold out his country not with one transaction but has been selling out his country for many, many years, with secrets of substantial damage to this country, that one of the items that is mentioned as kind of a dangle, some kind of incentive in front of this spy, is to go ahead and let this spy, the accused spy, to go ahead and let him keep his pension.

He is not yet entitled to his pension. He was 5 weeks off from receiving his pension, this Hanssen guy. His pension is going to be about \$60,000 a year.

Now, to me, allowing this alleged spy, and I keep using the word alleged but I think the evidence is very clear the situation we have, but we do have a society that one is innocent until proven guilty, but the fact is that we have American soldiers, in fact the gentleman from Mississippi (Mr. TAYLOR) spoke earlier about some of the people who have given their lives in service to this country, and those people's total life insurance policy does not equal in many cases one year of this alleged traitor's pension of \$60,000 a year. It is fundamentally unfair, it is unsound, for either the FBI or the Justice Department to consider as one of the terms of their plea negotiations to offer this alleged spy his pension that he was 5 weeks away from collecting.

Do not forget that while he was accumulating this pension, it was at the very time he was selling our country out to our enemies. He was selling them out to Russia. He sold us out. So he is being paid on the one hand and he is selling us out on the other hand, and now as if we have not been bruised enough we have some people out there apparently discussing, well, let us go ahead and let him have his pension.

Granted, some people have said we have sympathy for his family. His family was not involved in the spying. I agree with that. The family of this alleged spy must be going through some very horrible times. It is clear that the evidence supports the fact that the family had no knowledge of what was going on with their father and this husband. That fact, that sympathy aside, one does not reward, and I am sorry about the circumstances to the family but that is the consequences of misbehavior, one does not reward one of the worst spies in the history of this Nation by going ahead and saying we are going to go ahead and give you \$60,000 a year for the rest of your life based on your service to the United States Government.

So if any of my colleagues here have an opportunity to have a discussion with either the Department of Justice personnel or FBI personnel, I hope you bring this up about this pension.

Now let me move into some of the comments that were made. First of all,