

The bill apparently includes very expensive and unfunded new requirements on States, reducing their already limited flexibility. Meanwhile, the legislation badly underfunds the childcare that parents will need to move from welfare to work. The majority is happy to harm those with the greatest needs. They have gone out of their way to accommodate lobbyists for special interests. For example, lobbyists for HMOs won a huge victory when the conferees rejected the Senate's proposal to eliminate the discredited HMO slush fund. Lobbyists for the pharmaceutical industry saved the industry from adjustments in Medicaid rebates. And lobbyists for certain types of medical equipment won special accommodations as well.

All these favors for special interests should not come as a surprise. After all, that is what we have come to expect from this Congress. The policies being pursued by this Congress are a corruption of our Nation's values. How can it be that we are about to cut student loans, Medicare and Medicaid, and then turn around and provide even more tax breaks to special interests and multimillionaires? Have they no sense of decency? Have they no sense of shame?

The capital gains and dividend tax breaks called for in the Republican budget that are so important to President Bush and this leadership would provide almost half their benefits to those with incomes of more than \$1 million. They will get a tax break of more than \$30,000 a year.

Meanwhile, the losers won't just be the ordinary Americans who will suffer cuts in student loans, Medicaid and Medicare, all Americans will lose because the tax breaks backed by the Republican leadership will cost substantially more than their spending cuts will save. As a result, the deficit will go up, interest rates will rise, the economy will suffer, and the burdens on our children and grandchildren will increase.

Finally, this budget is wrong for many other reasons and in many other dimensions. It is wrong to target middle-class families already struggling to send their kids to college. It is wrong to target Medicare and Medicaid, which serve seniors and Americans with the greatest needs. It is wrong to use these cuts to help pay for tax breaks that largely benefit those with incomes over \$1 million. It is wrong to do all this while handing out favors to special interests and their lobbyists. And it is wrong to approve a budget that will increase the deficit and burden future generations.

This is not a budget based on mainstream American values. It is an ideologically driven, extreme budget that caters to lobbyists and an elite group of ultra-conservative ideologues in Washington, all at the expense of middle-class Americans, those with the greatest needs.

This budget will be approved unless enough reasonable Senators on the

other side stand up and do the right thing. I hope they will. And I hope we can finally persuade the leadership in this body, the Republican leadership, that it is time—it is long past time—to stop catering to special interests and to start putting the American people first.

#### RESERVATION OF LEADER TIME

The ACTING PRESIDENT pro tempore. Under the previous order, the leadership time is reserved.

#### DEFICIT REDUCTION ACT OF 2005— CONFERENCE REPORT

The ACTING PRESIDENT pro tempore. Under the previous order, the Senate will resume consideration of the conference report to accompany S. 1932, which the clerk will report.

The legislative clerk read as follows:

Conference report to accompany S. 1932, an act to provide for reconciliation pursuant to section 202(a) of the concurrent resolution on the budget for fiscal year 2006.

The ACTING PRESIDENT pro tempore. Under the previous order, there will be 5 minutes each for the Senator from New Hampshire and the Senator from North Dakota.

The Senator from the great State of North Dakota.

Mr. CONRAD. Mr. President, the legislation before us suggests that it is deficit reduction. There are three chapters to this book on reconciliation. You have to read all three chapters to understand the meaning of the book. The first chapter provides spending cuts of \$40 billion over 5 years. Those spending cuts disproportionately take from those who have the least among us. Chapter 2 provides \$70 billion of tax cuts. So the combined effect of chapters 1 and 2 is not to reduce the deficit, it increases the deficit. And the tax cuts give to those who have the most among us.

The Chaplain, in his prayer this morning, asked us to lead lives that will be living sermons—lives that will be living sermons. I do not know of any church that teaches to take from those who have the least among us to give to those who have the most among us.

The third chapter in this book provides for a debt limit increase of \$781 billion—one of the largest increases in the debt of our country, in the history of our country.

This first chapter, as I have indicated, contains \$40 billion of spending cuts over 5 years. But the second chapter will cut taxes by \$70 billion over that same period. The net result is not deficit reduction; it is an increase in the deficit.

If we are to focus just on this first chapter, and put it into perspective, here is what we see: spending cuts of \$40 billion. It is almost indecipherable how much that is in relationship to what we will be spending over the next 5 years. We will be spending \$14.3 trillion over the next 5 years. So our col-

leagues on the other side have managed to cut one three-hundred fiftieth—one three-hundred fiftieth—of the spending. But then in chapter 2 they are going to come here and eliminate that deficit reduction by the tax cuts—again, spending reductions from those who have the least among us to give to those who have the most among us. And the extraordinary irony of all of this is that all of this—if this is implemented, the budget that is being passed—is building a wall of debt that is unprecedented in the history of our country.

If this budget is actually implemented over the next 5 years, it will increase the debt of our country from \$7.9 trillion to \$11.3 trillion. This is not just my estimate, this is the estimate of the people who have written this package.

This is from their own document. They say the debt of the country will increase each and every year by over \$600 billion. This is before the baby boomers retire. If you like deficits and debt, if you want to pass on a massive debt to our children, this is your chance. Vote for this package.

It took 42 Presidents 224 years to run up a trillion dollars of external debt, debt held by foreigners. This President has more than doubled that amount in 5 years. This is going in the wrong direction. The result is, we now owe Japan over \$680 billion. We owe China almost \$250 billion. We owe the "Caribbean Banking Centers" more than \$100 billion.

In addition to the explosion of deficits and debt, these provisions in this chapter of the book are unfair to those who have the least among us: Medicaid cuts targeting low-income beneficiaries, child support enforcement cuts, foster care cuts, on and on it goes. The spending cuts are being done to make room for more tax cuts. House Ways and Means Committee Chairman BILL THOMAS told a group of GOP lobbyists the spending cuts are necessary to make room for the tax-cutting legislation.

I will be making points of order against this bill because we believe this bill has violated the rules of this body in instance after instance after instance, repeated violations of the rules. At the appropriate time, I will bring a point of order.

I conclude as I began: This legislation, taken as a whole, all of the chapters of reconciliation, will increase the deficit and debt of our country, will have one of the largest increases in debt, \$781 billion, in our Nation's history. In addition to that, this has the wrong priorities, taking from the least among us to give to those who have the most among us. That is wrong.

I thank the Chair.

The ACTING PRESIDENT pro tempore. The Senator from New Hampshire.

Mr. GREGG. What is the time situation?