

## EXTENSIONS OF REMARKS

IN RECOGNITION OF THE SMALL  
BUSINESS CONSORTIUM OF ALA-  
BAMA STATE UNIVERSITY

**HON. MIKE ROGERS**

OF ALABAMA

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, February 26, 2008*

Mr. ROGERS of Alabama. Madam Speaker, I rise today to pay recognition to the work of the Alabama State University Small Business Consortium on its 29th anniversary.

Since its establishment in 1979, the Small Business Development Consortium has helped support the establishment of small businesses across Alabama. From its humble beginnings, the consortium has expanded to include 11 business development centers in universities across central Alabama, and thanks to the vision of the consortium's founder, Dr. Percy Vaughn, resources for hundreds of fledgling enterprises.

I would like to congratulate the consortium, Alabama State University, and the other member institutions on reaching this important milestone for their organization, and wish them all the best in the future.

THE PRESIDENT'S BUDGET

**HON. CHARLES B. RANGEL**

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, February 26, 2008*

Mr. RANGEL. Madam Speaker, I rise today to express my concern over President Bush's handling of the budget and to enter into the RECORD editorials from today's Washington Post, "Budget Mess—President Bush's last spending plan only adds to a disastrous fiscal legacy" and from today's New York Times, "Lame-Duck Budget."

President Bush was given a gift 7 years ago; the gift was a projected surplus of \$5.6 trillion over the next decade. He has been neither appreciative nor responsible with this gift that America entrusted him with to make the lives of all Americans better. Instead his policies have benefited select groups and special interest. Case in point, his tax cutting agenda has greatly improved the lives of households with incomes totaling more than \$450,000 a year. These are some of the wealthiest American households.

The national debt has grown by \$2 trillion and the projected \$725 billion surplus for the upcoming fiscal year (2009) has disappeared and in its place has appeared a \$407 billion deficit. Based on Mr. Bush's recent budget submission, he proposes to pay for additional tax cuts through \$397 billion deficit spending over the next 5 years.

Mr. Bush leaves behind a legacy of failed fiscal policies and priorities. Mr. Bush stated his budget plan would put the country on the road to balancing the budget by 2012. However, he mistakenly forgot to inform the Amer-

ican people that his plan only partially funds the wars in Iraq and Afghanistan for 2009, and starting in 2010, he has planned zero spending. This is a disingenuous attempt to make his budget plan seem plausible.

There are no winners with the Bush budget proposal; domestic spending programs will be cut or remain flat. There is no long-term planning for the alternative minimum tax and both Medicare and health care spending will suffer devastating cuts.

Given the uncertain economic future of the country Mr. Bush's budget proposal leaves his successor with a very difficult task ahead. This is especially disheartening since his predecessor left him with a surplus.

[From the Washington Post, Feb. 2, 2008]

BUDGET MESS

Seven long years ago, a new president submitted his first budget—an optimistic document now relevant only as a chastening artifact of a bygone era. In that "Blueprint for New Beginnings," George W. Bush grappled with the supposed challenge of dealing with a projected surplus of \$5.6 trillion over the next decade. The president proposed to pay down the debt by \$2 trillion during that time, which, he said, was as much as could be responsibly redeemed. He offered lavish tax cuts. And he vowed to "confront great challenges from which Government has too long flinched," putting Social Security and Medicare on solid financial footing.

The final budget of Mr. Bush's presidency arrived yesterday, and the contrast between then and now could hardly be more sobering. Instead of being paid down, the national debt has grown by \$2 trillion. The \$725 billion surplus once projected for the coming fiscal year (2009) has evaporated. In its place is a \$407 billion deficit—an unrealistically rosy number that omits billions in likely war spending and is artificially reduced by including the \$200 billion Social Security surplus. The explosion in entitlement costs has been left unaddressed and is therefore even more daunting. Indeed, on entitlements, Mr. Bush's legacy will be to have added to the long-term tab with the addition of an expensive Medicare prescription drug benefit.

Some of this transformation, as the administration would be the first to point out, is not Mr. Bush's fault. Even as he submitted that initial budget, the economy was slowing. The attacks of Sept. 11, 2001, further rattled the economy and imposed huge unanticipated costs for homeland security and military operations overseas. Mr. Bush tried to launch the necessary debate on Social Security, and, although the president can be faulted for having poisoned the well with a relentlessly partisan legislative strategy, congressional Democrats chose to respond with more partisanship.

But the fact remains that the purported surplus on which Mr. Bush based his tax-cutting agenda was always something of a mirage, and the president has never been willing to adjust his agenda to the grim new fiscal reality. Yesterday's promise of a small surplus by 2012 is once again premised on omitting likely costs (zero is budgeted for operations in Iraq and Afghanistan) and by assuming cuts to domestic spending that are unachievable politically and, in large part, unwise as a matter of policy.

As always, Mr. Bush pledges to press ahead with his tax-cutting agenda: another \$2.4 trillion over the next decade, \$3.7 trillion if relief from the alternative minimum tax is included. The President argues that failing to extend his previous tax cuts would result in an average tax increase of \$1,800. But Mr. Bush neglects to point out that the overwhelming share of the tax cuts go to the wealthiest Americans. The top 1 percent of households—those with incomes of more than \$450,000—would get 31 percent of the benefits, with tax cuts averaging \$67,000 by 2012. And Mr. Bush does not even propose fully paying for these cuts: The budget he submitted yesterday envisions another \$397 billion in deficit spending over the next five years because it would devote more money to tax cuts than it would cut in spending.

Mr. Bush inherited a potential windfall—and squandered it. The next president will inherit his mess.

[From the New York Times, Feb. 5, 2008]

LAME-DUCK BUDGET

President Bush's 2009 budget is a grim guided tour through his misplaced priorities, failed fiscal policies and the disastrous legacy that he will leave for the next president. And even that requires you to accept the White House's optimistic accounting, which seven years of experience tells us would be foolish in the extreme.

With Mr. Bush on his way out the door and the Democrats in charge of Congress, it is not clear how many of the president's priorities, unveiled on Monday, will survive. Among its many wrong-headed ideas, the budget includes some \$2 billion to reach up enforcement-heavy immigration policies and billions more for a defense against ballistic missiles that show no signs of working.

What will definitely outlast Mr. Bush for years to come are big deficits, a military so battered by the Iraq war that it will take hundreds of billions of dollars to repair it and stunted social programs that have been squeezed to pay for Mr. Bush's misguided military adventure and his misguided tax cuts for the wealthy.

The president claimed on Monday that his plan would put the country on the path to balancing the budget by 2012. That is nonsense. His own proposal projects a \$410 billion deficit for 2008 and a \$407 billion deficit next year. Even more disingenuous, Mr. Bush's projection for a balanced budget in 2012 assumes only partial funding for the wars in Iraq and Afghanistan for 2009, and no such spending—zero—starting in 2010.

It also assumes that there will be no long-running relief from the alternative minimum tax—which would be ruinous for the middle class—and that there will be deep cuts in Medicare and other health care spending that have proved to be politically impossible to enact.

Mr. Bush, of course, inherited a surplus from the Clinton administration, which he quickly used up on his tax cuts. He then continued cutting taxes after the surpluses were gone and even after launching the war in Iraq—\$600 billion and counting. Mr. Bush remains unrepentant. Even now, with the economy—and revenues—slowing, he is pushing to make those tax cuts permanent. That would be fiscally catastrophic.

The big winner, predictably, is the Pentagon. After adjusting for inflation, the proposed defense budget of \$515.4 billion—which

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