

Mr. Speaker, I reserve the balance of my time.

(Mrs. CHRISTENSEN asked and was given permission to revise and extend her remarks.)

Mrs. CHRISTENSEN. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I want to begin by thanking the gentleman from California (Mr. POMBO) and the ranking member, the gentleman from West Virginia (Mr. RAHALL), for their support in making it possible for H.R. 3589 to get through the committee and be on the floor of the House today. I am really heartened by the support I received from both sides of the leadership and the members of my committee, the hard work of the staff, as well as from the gentlewoman from the District of Columbia (Ms. NORTON), and members of the Congressional Black Caucus on this issue, which I believe to be important to the short and long term well-being of the Virgin Islands.

I want to thank the ranking member, the gentleman from West Virginia (Mr. RAHALL), for standing shoulder to shoulder with me on this issue in the face of significant opposition and insisting that my bill be a top priority of the Democratic Caucus of our committee.

Mr. Speaker, today is a day of great moment for the people of the Virgin Islands and for me because with passage of this bill we are a significant step closer to achieving a goal to put in place a mechanism to address the fiscal challenges that continue to face our territory. Many Members' districts have been in similar situations, and Members have addressed them in similar ways.

I have introduced this bill before us today, H.R. 3589, because throughout my tenure as the Representative of the people of the Virgin Islands in the House of Representatives, I have seen the territory's fiscal condition come dangerously close to collapse on several occasions.

In the absence of any similar local action being taken, I believe that the only course to reverse this trend is to create an office with the independence and the authority to help us exercise the fiscal restraint and better fiscal management of both Federal and local funds, something all of our local leadership agrees must be done.

Mr. Speaker, it has not been easy for me to watch the fiscal health of the territory steadily decline since I have been in office. Since the middle 1990s, successive administrations and legislatures have, for good reason, not been able to maintain sound fiscal management and financial policies.

□ 1900

While some of the reasons for this condition have been outside of our control, such as recurrent catastrophic hurricanes and the tax cuts and credits passed by Congress, much of the blame for this condition can be traced to the

unfortunate reality that the territory's managers and lawmakers have not substantively addressed the imbalance between the needs and demands of the community and its revenues.

It was not, and still is not, my intention in introducing H.R. 3589 to cast aspersions on the fiscal policies of the current administration or the legislature or past ones. However, I feel very strongly that I could not sit idly by while we continue to face fiscal crisis after fiscal crisis without offering some solution to temper or soften the difficult decisions that we ourselves, not the Federal Government, have to make to get us out of this roller-coaster approach to managing our fiscal affairs.

Nevertheless, in taking this action, I was opposed by the governor and lieutenant governor, as well as my party leadership back home, who disagreed with this approach. A resolution that went so far as to condemn my action was passed by the Members of the 25th legislature, but the people of the Virgin Islands, who have long called for accountability and transparency in our government, have supported this bill strongly from the outset.

As I reflect on what led me to this point today, I am reminded of a quote by Dr. Martin Luther King, Jr., which was brought to my attention by a local attorney, in which Dr. King said, "The ultimate measure of a man is not where he," or she, I would say, "stands in moments of comfort and convenience, but where they stand in times of challenge and controversy."

Mr. Speaker, we are indeed facing challenging and difficult times in the Virgin Islands. The actions of those of us in leadership today will have profound effects for our future.

While H.R. 3589 will not be a panacea or solve all of our problems, it will help to keep our finances in order and prevent us from sinking further into a fiscal black hole.

I urge my colleagues to support this bill, and I again want to thank the gentleman from California (Chairman POMBO) and the gentleman from West Virginia (Ranking Member RAHALL) and the staff.

Mr. Speaker, I yield back the balance of my time.

Mr. NEUGEBAUER. Mr. Speaker, I yield myself such time as I may consume.

I would just like to commend the gentlewoman for bringing this solution forward and for taking on the responsibility of representing and making sure that the folks in her island are represented correctly.

So I commend her for that and for her great work on this.

Mr. RAHALL. Mr. Speaker, in my capacity as the Ranking Democratic Member of the Resources Committee, I would like to register my strong support of H.R. 3589, to create the office of chief financial officer for the territory of the U.S. Virgin Islands. I commend the gentlewoman from the U.S. Virgin Islands, DONNA CHRISTENSEN, for her tireless work in getting this legislation to the floor for our consideration.

As has been noted this evening, the financial condition of the Virgin Islands is in trouble. Skyrocketing deficits coupled with inadequate fiscal controls have left the local government struggling to provide basic services to the people of the Virgin Islands.

The potential financial insolvency of the territory did not occur overnight. Nevertheless the introduction of this measure, by the distinguished representative of the Virgin Islands, DONNA CHRISTENSEN, was still met with controversy and opposition from many local political leaders.

DONNA CHRISTENSEN has made it clear that this legislation is something that she would rather not have done, but the circumstances of her territory have made the choices for her. She is a brave woman for fighting for what she believes is in the best interest of her constituents and for her island and she should be commended.

Virgin Islands history will show that this legislation was a turning point in the fundamental approach that the territory handles its financial affairs. Indeed, this evening may one day be looked upon by the residents of the Virgin Islands as one of those rare moments when history itself seemed to hold its breath. When the voice of the people, on that beautiful Caribbean island, rose louder and louder and thundered over various political obstacles and was heard, and acted upon, in this hallowed chamber that is the U.S. House of Representatives.

I have said it before, and I will say it again this evening. When the next chapter in Profiles in Courage is written, it will be about the gentlewoman from the Virgin Islands, DONNA CHRISTENSEN.

I urge my colleagues to support favorable passage by this body of H.R. 3589.

Mr. NEUGEBAUER. Mr. Speaker, I yield back the balance of my time.

The SPEAKER pro tempore (Mr. TERRY). The question is on the motion offered by the gentleman from Texas (Mr. NEUGEBAUER) that the House suspend the rules and pass the bill, H.R. 3589, as amended.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill, as amended, was passed.

A motion to reconsider was laid on the table.

MOTION TO INSTRUCT CONFEREES ON H.R. 1308, TAX RELIEF, SIMPLIFICATION, AND EQUITY ACT OF 2003

Mr. MOORE. Mr. Speaker, I offer a motion to instruct.

The SPEAKER pro tempore. The Clerk will report the motion.

The Clerk read as follows:

Mr. Moore moves that the managers on the part of the House at the conference on the disagreeing votes of the two Houses on the House amendment to the Senate amendment to the bill H.R. 1308 be instructed to agree, to the maximum extent possible within the scope of conference, to a conference report that—

(1) extends the tax relief provisions which expire at the end of 2004, and

(2) does not increase the federal budget deficit.

The SPEAKER pro tempore. Pursuant to clause 7 of rule XXII, the gentleman from Kansas (Mr. MOORE) and

the gentleman from Texas (Mr. BRADY) each will control 30 minutes.

The Chair recognizes the gentleman from Kansas (Mr. MOORE).

Mr. MOORE. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, this is really a straightforward motion to instruct the tax conferees. The motion calls on Congress to extend middle-class tax relief without increasing the Federal budget deficit. There is broad, bipartisan support in Congress for extending the middle-class tax relief that expires at the end of this year, and the House will soon have a chance to vote on extension of the relief.

But, Mr. Speaker, there is also bipartisan support for the reinstatement of PAYGO rules that expired nearly 2 years ago. Extending PAYGO rules would have the effect of getting our fiscal house back in order and forcing the Federal Government to live within its means, to live within a budget.

Today, the House has an opportunity to put itself on record in support of a conference report that extends necessary tax relief in a fiscally responsible manner.

I have strongly supported middle-class tax relief in the past and will continue to support it in the future, Mr. Speaker. I support extending marriage penalty relief. I support the increased \$1,000 per child tax credit. I support the expanded 10 percent tax bracket, and I also support alternative minimum tax, or AMT, tax relief. But what I find troubling is passing these tax cuts with borrowed money and leaving our children and grandchildren to pay our bills, putting a \$7-plus to \$10 trillion mortgage on our children's future. That is absolutely unacceptable.

Applying PAYGO rules to both mandatory spending increases and tax cuts does not, I repeat does not, prevent Congress from passing more tax cuts. It simply means, if we are going to reduce our revenues by tax cuts, we need to reduce our spending by the same amount.

This should not be about Republicans and Democrats. This should be about the future of our country and the future of our children and grandchildren.

A bipartisan group of Senators has put forth a proposal to expand the middle-class tax cuts for 1 year, offset by an extension of customs users fees and closing tax loopholes. The Blue Dog coalition has offered a similar measure in the House that makes sense now and in the future.

As of 9 a.m. this morning, Mr. Speaker, the national debt for our country stood at \$7.35 trillion, trillion with a "T". That raises the share of debt for every citizen in this country to \$25,000. The Treasury Department estimates that the national debt will exceed the statutory debt limit later this month or sometime next month. Over the last year alone, Mr. Speaker, our national debt has increased by \$670 billion, and over the last 3 years it has increased by \$1.5 trillion. The Congressional Budget

Office projects that the national debt, our national debt, will exceed \$10 trillion in just a little more than 4 years under our current budget policies, \$10 trillion.

Just a few hours ago, by an overwhelming vote of 404 to 8, the House passed the Stenholm amendment to the Transportation, Treasury appropriations bill which would prohibit the Secretary of the Treasury from raiding government retirement funds to avoid breaching the debt limit. I hope that Congress will keep the Stenholm amendment in the Transportation, Treasury conference report and force the Federal Government to take responsibility for its fiscal policies.

As the House moves to consider an extension of tax relief, we should keep in mind that the one tax that will never go away, Mr. Speaker, is the debt tax. The debt tax is the interest we pay on our national debt, almost \$1 billion a day. That is \$1 billion a day. Last year, the debt tax accounted for 18 percent of all government revenues, and the interest that we pay on our national debt will only grow if we continue our present fiscal policies.

We should not pay for tax cuts by borrowing money against our children's future, in effect putting a mortgage on the future of our children and grandchildren. We are taking the tax cuts now and asking for our kids and grandkids to pay for those tax cuts later, with interest, billions and trillions of dollars of interest.

Congress should be required to sit down and figure out how to make things fit within a budget, just like families across our country do every day. Almost every weekend, Mr. Speaker, I go back to Kansas and I hear from Kansas families, Why can the people in Congress not live like American families do?

They follow three simple rules: Number 1, do not spend more money than you make; number 2, pay off your debts, common sense, Mr. Speaker; and number 3, take care of basics and the future. The basics for a family are food, shelter, education, health care, transportation, things we all write checks for every month. The basics for our Nation are national defense, the Social Security system, a retirement system for people who have worked hard all their lives and cannot work anymore and, just an example, some sort of national highway system to move goods around this country and keep this economy going.

Yet, for years, Congress has lived beyond its means by spending more money than it took in in revenues, and we need to change that course again. We need to start living like American families do and not placing a \$10-plus trillion mortgage on the future of our children and grandchildren.

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Mr. Speaker, I hope and I ask all the Members of this House of Representatives to, again, put aside partisan poli-

tics, because it is not about Democrats and Republicans, and to vote for this motion to instruct.

Mr. Speaker, I reserve the balance of my time.

Mr. BRADY of Texas. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I agree with my colleague that the national debt is an important issue that needs to be taken seriously. I know for much of my lifetime, under Democratic control of Congress, America begged legislators to balance the budget, but they went deeper and deeper in debt each year. I am grateful that when Republicans took control of the House that they worked with President Clinton to balance the budget, indeed, not just to do that but to start paying off the national debt.

It is terribly frustrating to me when I see the triple hit that America took, the attacks on 9/11 that cost us almost 2 million American jobs, when I see the recession President Bush inherited from his predecessor and when I see the collapse of our technology companies and the horrible actions of Enron and WorldCom and others that have given us such a triple hit to our economy; that made it so difficult. It took away so much of our revenue that we have been unable to balance the budget.

But let us be real clear about what this instruction does. It requires that these extensions, the child tax credit and the 10 percent bracket for people who do not make much and the marriage penalty relief to make sure we do not penalize people simply because they are married, it requires these extensions be paid for. In other words, the motion to instruct requires more than \$130 billion of tax hikes or spending cuts. I know the spending cuts will not be supported by my colleagues on the other side of the aisle. This motion does not make the tough choices regarding which taxes to increase or which programs to cut.

The extension of family tax relief is already provided for in the House-passed budget resolution. That resolution would cut the deficit in half without raising taxes, and if we follow the House-passed budget resolution, this motion is not necessary. In contrast, the Democratic motion we talk about tonight is a zero sum game. It provides tax relief, on one hand, and then takes it away, takes it from families' pockets, with the other.

The House has already voted to extend this tax relief without raising taxes to pay for it. And if Congress does not act, families will face a tax increase next year. For example, next year, the \$1,000 child tax credit drops to \$700, which is tough on a family raising children these days. The 10 percent tax bracket, which helps folks who do not make that much money, will apply to less of a person's income. And the marriage penalty relief will provide less relief for couples.

There is a right way to tackle our spending and our national debt, and

that is to abolish obsolete Federal agencies, to cut programs that duplicate themselves and to go after the fraud in Medicare and Social Security. And the wrong way to tackle our debt is to raise taxes on hardworking families and parents and small businesses.

Mr. Speaker, I reserve the balance of my time.

Mr. MOORE. Mr. Speaker, I yield such time as he may consume to the gentleman from New York (Mr. ISRAEL).

Mr. ISRAEL. Mr. Speaker, I thank my good friend from Kansas, my fellow Blue Dog, a member of the Blue Dog Coalition, which may very well be the last group of Members of this House left that works every single day for balanced budgets and fiscal responsibility and against indebtedness.

Mr. Speaker, I rise in support of this motion to instruct conferees because this Congress needs to start taking our children's future into account. What this motion says is, extend middle class tax relief but do not expect future generations of Americans to pay for that middle class tax relief.

Mr. Speaker, I have supported many of the President's tax cuts. I understand and I appreciate that most middle-class families, people, that their tax burdens are overwhelming. However, I believe that it is incumbent upon us to ensure that we relieve those burdens in a responsible manner and not literally pass the buck to our children and our grandchildren.

There is not a single Member of this House on either side of the aisle who would walk into a luxury car dealership and say to a sales person, I will take the most expensive car you have on the floor with the most elaborate fancy options, load it up as much as you can, and send my children the bill for that car. Not a single Member would do that. If we do not pay for these tax cuts, that is exactly what we are doing to our children. We are placing the burdens of our tax cuts on our children's shoulders.

The national debt is over \$7 trillion. This year's projected budget deficit is \$422 billion. The Treasury Department has estimated that the national debt will exceed the statutory authority in the next 60 days. We need to start making better decisions on a bipartisan basis now on how to manage our money.

Now, conferees have options on how to implement tax extensions at little or no cost. Conferees have options on how to proceed in a fiscally responsible manner. Conferees can help pay for these cuts by closing tax loopholes, and this motion instructs them to do so.

Mr. Speaker, everyone who pays a credit card knows that the least productive part of that credit card bill is interest payments. We are paying \$1 billion a day on interest on our national indebtedness, interest on the decisions that we have made. We need to bring fiscal responsibility back to this House. America's middle-class families

are spending an average of \$4,400 a year on our debt. That is a death tax, and it is one that we will not be able to repeal.

Mr. Speaker, I want to close by reminding my colleagues and the American people that the middle class is being squeezed. They do not need that reminder. They know it every day. They know it because they are paying higher interest rates. They are paying more to gas up their cars. They are paying more for college tuition. They are paying more for their children's health care, more for their parents' health care. They are paying more everywhere they turn. They deserve relief now, and our children do not deserve to have the buck passed to them later.

That is why I so strongly urge my colleagues to heed the words of the gentleman from Kansas. Let us put politics aside. Let us not harp on the past but start thinking about our children's future.

Mr. BRADY of Texas. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, the best thing we can do to pay down the debt is to make sure we are keeping revenues coming in to the Federal Government. We do that not by raising taxes on families and small businesses who can ill afford it. We do it by getting this economy growing, by reducing the amount of spending and, in fact, doing away with the obsolete Federal agencies and all the programs that duplicate each other where we waste so many of our hard-earned tax dollars in Washington and in Federal programs.

The fact of the matter is, the reason we went into deficit is that the economy took such a hard hit. And I think we fought back the right way. When you look at the attacks of 9/11, when we look at the recession President Bush inherited and when we look at the WorldComs and Enrons that hurt so many of us with jobs, what Republicans in Congress did to fight back was to provide tax relief for families and small businesses and people who live on a retirement income.

Our principle was simple: If we want to create jobs in Kansas, if we want to create jobs in Texas, if we want to create jobs in America, then leave the money in Kansas, in Texas, in America, so it can turn around in our economy and so it can be spent on Main Street and so we can help families balance their budget and get this economy growing. And it is working.

Despite the three hits that would have knocked most nations' economies to its knees, by fighting back with tax relief for families and small businesses, we have created over 1.5 million new jobs this past year, more than 100,000 in my State of Texas. We are fighting back. We are not where we would like to be yet in today's economy, but the worst thing we could do for America's families and for their children is to prolong a recession by raising taxes on families and small businesses today. And that is what this motion does.

Mr. Speaker, we know that we do not get support when we try to cut wasteful spending. And when we try to lower the cost of our appropriation bills, my Democratic colleagues, with some exceptions, rarely argue that we are spending too much. Their argument is that we need to spend more. They want higher spending, not less. So I know this motion to instruct is not about reducing the wasteful spending in Washington; it is about raising taxes on families and small businesses who can ill afford it.

In my opinion, and I would think the opinion of the American public, what we can do for tomorrow's children is to get their parents jobs today where they are paying both their income taxes and their payroll taxes into Medicare and into Social Security. Because without an economy that is strong and vibrant, we will not have a recovery. We will not balance the budget sooner rather than later, and we will not put money into Medicare and Social Security. That, ultimately, is what will cost our children a death tax, not getting this economy going and stopping wasteful Washington spending.

Mr. Speaker, I reserve the balance of my time.

Mr. MOORE. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I appreciate the comments by my friend from Texas, but the only person in this chamber tonight, in this debate, the only person in this chamber who has talked about raising taxes is the gentleman from Texas. I certainly have not, and I do not intend to, because that is not what my intention is at all, Mr. Speaker. I do not want to raise taxes. We do not want to raise taxes. What we want to do is get our budget back in balance and eliminate the death tax on the future of our children and grandchildren.

My friend from Texas, across the aisle, talks about making some hard decisions. I would challenge him to pass this motion to instruct tonight and let us sit down together, Republicans and Democrats, and put aside all talk about raising taxes and work on identifying where there is waste, fraud and abuse in our budget and eliminating that. We can do that. Again, I am more than willing to. This motion intends to extend the marriage penalty relief, the child tax credit, extend the 10 percent tax credit and AMT relief. All of those are tax cuts that we want to extend. Not raise taxes, cut taxes.

But we need to work together, Mr. Speaker, to find ways that we can eliminate this horrible mortgage, this horrible debt we are putting on the future of our children and grandchildren. The folks across the aisle act as if this is just no big deal. Just no big deal. But I am concerned that, as the baby boomers in the next 4 to 5 years start to retire, our children are going to take on the debt of providing for Social Security for the baby boomers. That is the way it has always been. That is the way the system has always worked.

In addition to the debt of the baby boomers, they are going to have the obligation of taking on this debt tax, which is a billion dollars a day now that we pay interest on the national debt, not to mention, by then, a \$10 trillion to \$12 trillion national debt and a deficit of who knows how much.

When my friends across the aisle talk about fiscal responsibility, we should mention that the debt this year, \$7.35 trillion, the debt that stands for our country right now, the deficit, \$422 billion, is the highest in our Nation's history. The highest ever. And I am not being partisan when I say that.

Again, I ask the gentleman from Texas and my friends across the aisle to come together with us, and let us sit down and figure out a way to make this work. Let us reinstitute PAYGO rules, and let us make sure that we are in a fiscally responsible and balanced budget position in the future so we do not impose this horrible burden on future generations in our country. If we do that, Mr. Speaker, we are doing a disservice to our kids, to our grandkids and to our country.

I implore the gentleman to pass this motion tonight and to sit down with me and find ways we can eliminate the waste, fraud and abuse he has talked about here tonight.

Mr. Speaker, I reserve the balance of my time.

Mr. BRADY of Texas. Mr. Speaker, I yield myself 30 seconds.

Mr. Speaker, I completely agree with the gentleman from Kansas that there is a shared desire to reduce this deficit, not only that but to balance the budget and start paying down the debt. The question is, how do we do it?

Do we raise taxes on small businesses and families or cut wasteful spending? My contention is, rather than raising taxes, we reduce the wasteful spending here. And I will gladly work with my colleague to do so, although there is a history against that, unfortunately, from his side of the aisle.

Mr. Speaker, I yield 6 minutes to the gentleman from Michigan (Mr. MCCOTTER) who has been a strong advocate not only of cutting taxes for families but reducing the deficit and getting back to balancing the budget.

Mr. MCCOTTER. Mr. Speaker, I would like to join this debate for a brief moment and, first, echo the remarks of the gentleman from Texas and commend anyone in this institution for their commitment to end waste, fraud and abuse within the Federal Government's spending practices. No one party controls a monopoly on good ideas, and so we must always be open and subject to agreeing where we should.

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We hear about the debt tax. My wife and I live in Lavonia. We are thoroughly middle class. We have both roughly working class backgrounds. My parents were teachers. My wife came from a single-income family. We

have three children, 11, 9, and 6; boy, boy, girl. And so when we hear about relief for working families, believe me, I understand it. But what I also understand, as having been an elected official for a while, is that in terms of eliminating waste, fraud, and abuse, that is something that, regardless of whatever the tax policy of the United States is, we should all be committed to doing. It is not merely a collective burden. It is a burden that individually falls on each and every single Member of this Chamber and one which, if we do not pursue, we are remiss.

My concern by linking working families' tax relief and tax relief for small businesses, many of which in my district, a manufacturing district, are tier one and tier two auto suppliers, is that in linking them to the tax relief, we run the risk of holding working families' tax relief hostage to Washington's big spending practices. In short, it amounts to the fact that no matter how much money they pay to the Federal Government, unless they stop spending even more of their money, they will get no tax relief. That is not an incentive to appropriators to stop appropriating too much of their money. That is not an incentive to go find waste, fraud, and abuse and end it in the Federal Government. That is an incentive for Washington to continue spending, because Washington will not feel the price of their largess. They will.

So I think that that is my concern in this debate, trying to link those two together because I do not believe working families should be punished. I do not believe small businesses should be punished. I do not believe anyone in the American economy should be punished for Washington appropriators' misspending or misappropriation of their funds.

In the final analysis, there is also something that we have to touch on and I have touched on as a member of the Committee on the Budget and I will continue to touch on. We hear much about the deficit. We hear much about inherited recessions. We can argue that we inherited a recession, as we heard last night; but the reality is that I think the numbers were about 9 percent of the economy was lost in one quarter, the final quarter of the Clinton administration, which I will say for the record is not a recession because it takes two quarters of negative growth to constitute a recession. Granted, no one really works that fast that they can lose 9 percent of the American economy in one quarter, but it was done, which does not constitute a recession. But as jobs follow a recovery upward, jobs follow down too in a recession, in a collapse.

In the 1990s, and I will preface this with what I have said, which is that we cannot blame the Clinton administration nor this Congress for these three things changing. I know it is hard to believe, but sometimes things are outside our control. In the 1990s we had

the first rush of globalization, which was beneficial to the United States at the time. We have since seen the long-term downside of that. We then saw the rise of the Internet, which was an enormous boon to the American economy, a lot of it based on potential because we had not learned how to factor that in.

The final, and I think the most important, was the collapse of the Soviet Union because at that point in time we all thought we had a "peace dividend," and the American economic activity was spurred here and was spurred throughout the globe. What those three things have been replaced with are now the downside of the outsourcing problems that we have.

I speak as a representative from a manufacturing district. We now have the fact that not everyone is going to buy things on the Internet. We have seen a constriction of the optimism, and I think a large part of that was manifested in the dot-com boom; and, most importantly, we have seen the rise of the war on terror. These factors are as much driving the shaky economy that we have in many areas of this country as anything else because we replaced the perfect storm of economic prosperity we saw in the 1990s with these three detriments.

And every single American, especially for the war on terror, has to figure out how that is going to play into their economic outlook from their family room to their boardroom. The mistake that we would make is in claiming that somehow this recession that was passed and we are coming out of in this recovery are as normal as anything we have ever been through before. I totally disagree with that premise. And I think that as we continue to link working-family relief or small-business relief, things that are important, things that will encourage people to make investment decisions, will encourage them to come out of their shell in these difficult times both here at home economically and internationally in terms of the war on terror.

If these things are allowed to expire, the American public, which grows this economy, will have an even more difficult time figuring out how to factor in the irrational act of terrorism into their rational economic calculations they have made for years and years and years. So my concern is, and it is echoed by the gentleman from Texas, is that that is a wrong message to send.

But I would like to conclude by commending the gentleman for his commitment in trying to end waste, fraud, and abuse in the Federal Government.

Mr. BRADY of Texas. Mr. Speaker, I reserve the balance of my time.

Mr. MOORE. Mr. Speaker, I yield myself such time as I may consume.

To the gentleman from Texas, I say that until 2002, we had in the Congress here budget rules one of which was called PAYGO, and it required that if we were going to initiate a new spending program or a new tax cut, we had

to find a way to pay for it. This year we have eliminated that and changed it only if we have a new spending proposal, we have to find a way to pay for it, but not a new tax cut.

I am on the Committee on the Budget and the Committee on Financial Services, and at least twice a year I have a chance to talk to a fellow by the name of Alan Greenspan, and every time Chairman Greenspan appears, he tells us how important fiscally responsibility is, and he advocates reinstating PAYGO rules, which expired in 2002, and that means as to new spending programs and as to tax cuts.

And when the gentleman says, and I say this respectfully, our side has always spent more money, well, to the gentleman from Texas I say our side is not in control of the House, the Senate, or the Presidency. Your side is. And you can stop new spending if you want to do that.

So I say, please, in all sincerity, join us, pass this motion, make it apply to new spending proposals as well as new tax cuts so we can get out of this horrible deficit position we are in in this country and not pass this horrible debt on to our children and grandchildren.

And Chairman Greenspan, when he testified in front of our committee for the past 6 years I have been in Congress, he has said invariably this, he says this over and over. He says one of the most important things Congress can do is live within a budget and practice fiscal responsibility. And what Chairman Greenspan says to me and to the members of the Committee on the Budget and Committee on Financial Services each year when he testifies is this: when we are in a slowdown economy, as we have been in the past couple of years, not if, but when this economy takes off, if we are not in a fiscally responsible position, we could see interest rates start to go up dramatically. In fact, yesterday we saw them go up one quarter of one point, but they could go up dramatically.

I am not suggesting it is going to happen like this, but I think some of us in this Chamber are old enough to remember the late 1970s. We had interest rates in this country of 14, 16, 17 percent, which would be absolutely devastating for the real estate industry, for business generally, and for consumer borrowing. I hope we never see that again. But if we keep on the course we are on right now of fiscal irresponsibility with the largest deficit in our Nation's history, with the largest debt in our Nation's history, we could see interest rates go up to 8, 9, 10 percent. I am afraid if that happens, that would be, again, devastating for the business economy, devastating for real estate, and devastating for consumer borrowing.

We owe our country better than that. We owe our children and future generations better than that. And I ask the gentleman, please, join us in support of this motion.

Mr. Speaker, I reserve the balance of my time.

Mr. BRADY of Texas. Mr. Speaker, I yield myself such time as I may consume.

Two thoughts: one, I do not think it is responsible to try to scare our citizens with 9, 10, 14, 15 percent interest rate predictions when we know that is not what Alan Greenspan said. And I think even though it is election year and people take great pleasure in trying to doom and gloom the economy and scare average voters in America, I do not think it is the right thing to do.

Secondly, I do know that we can tell some things from the past. And while I believe my friend from Kansas is sincere about wanting to address spending as the right way to reduce the deficit, the fact of the matter is that earlier this year on three different occasions, his Democratic colleagues offered motions to pass tax relief for families and a child tax credit and all that, and in each case they did not offer any spending relief. What they offered were more tax increases.

So I say that this motion tonight, much like those other motions, its goal is not to pay down the debt by limiting and targeting abusive spending. What it desires to do is raise taxes. And I think the best way we pay down the debt and get back to a balanced budget to do the things that Alan Greenspan rightly said we should do, and I agree with my friend from Kansas, is not to increase taxes on families and small businesses.

We are recovering from a recession. We are trying to move dollars through that economy. It is working. I think the quickest way we can put a stop to this economy is to tax families and small businesses at this point when we are just coming out of it, doing a good job in doing that, fighting back the way we ought to with the principle of let us leave the money in the community, because at the end of the day, this philosophy really comes down to this: Is this your money or is this Washington's money?

I have more faith in people spending the money that is so hard earned. I believe we are an overtaxed Nation. I think getting this economy going, which Republicans and Democrats should share, election year aside, should share that dream. I think cutting wasteful spending, which Republicans and Democrats should share that dream, is the fastest way we can get back to a balanced budget and to pay down the deficit, which, again, I agree completely with my colleague. I believe he makes a great point on that issue and one that we can work together on.

Mr. Speaker, I reserve the balance of my time.

Mr. MOORE. Mr. Speaker, I yield myself such time as I may consume.

I say this with the greatest respect for the gentleman from Texas: the question that he asks, Is this your money or Washington's money? is not an honest question because when we ask that question, the honest answer is

it is not our money. It is our children's money and our grandchildren's money that we are taking right now for feel-good tax cuts and for new spending programs. And if we both are sincere here, and I have the greatest confidence in the gentleman from Texas, my friend across the aisle, I believe he is sincere, we should sit down together, pass this motion, reinstitute the PAYGO rules as they existed prior to 2002 that applied to both spending and new tax cuts and go forward from there and protect the future of our country. That is the way we should legitimately proceed here.

I am not trying to prey on anybody's fear. I think we have learned a big lesson since the late 1970s when we had interest rates at 14, 16, 17 percent. I do not think that is going to happen again. But I think we could see interest rates in the upper 8, 9, or 10 percent if we are not careful here and if we do not get back to fiscal responsibility.

That is why I say the answer here is not to pose false questions such as, Is it your money or Washington's money, because it is not our money right now. We are basically charging it on a national charge card, passing the bill along to our kids and grandkids and saying, Here, you guys take care of this. That is not responsible. That is not fiscal responsibility. It is not fair to future generations in this country. We have the greatest Nation in the whole world, but we cannot be strong and free and broke.

Mr. Speaker, I yield back the balance of my time.

Mr. BRADY of Texas. Mr. Speaker, I yield myself such time as I may consume.

Let us make two quick points here. The interest rates did not go down because we were paying off the debt. The interest rates went down because our economy slowed after three huge hits: the attack of 9/11 that cost us almost 2 million jobs, the dot-com and the Enrons of the world that damaged our economy so much, and the recession that President Bush inherited. The interest rates came down at the behest of Alan Greenspan to spur this economy, the very same reason we traded tax relief so that we could put people back to work so that money would circulate within our economy.

And the interest rates will not go up because we are in these deficits, as hard as we are fighting to get back down to a balanced budget. They will go up because our economy is improving, and the Federal Reserve Board will seek to not overheat this economy so that we create inflationary pressures. That is the reason why interest rates change.

But I still think the gentleman from Kansas is right in raising the issue of the debt and getting back to a balanced budget. He is exactly right. The question is how we do it. And I believe that the reason we have PAYGO for spending is that if we cool this economy too

soon in its recovery with more tax increases, we have damaged our children's future. If we keep the economy going and focus on wasteful spending where in Washington on average every Federal program duplicates five others, every Federal program duplicates five others. At a time of war and a time of deficits, we cannot afford that type of waste. And rather than raising taxes on families and small businesses, I think the right way to do it for our children's future and their parents who desire good jobs today is to not raise those taxes.

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Mr. Speaker, I reserve the balance of my time.

Mr. MOORE. Mr. Speaker, I ask unanimous consent for time to close.

The SPEAKER pro tempore (Mr. MARIO DIAZ-BALART of Florida). Is there objection to the request of the gentleman from Kansas?

There was no objection.

Mr. MOORE. Mr. Speaker, I appreciate the tenor of this debate and the sincere comments by my friend from Texas. I really do appreciate that sincerely. I think we have had a good debate here, and I do not think for a minute that the gentleman is insincere in the statements he made here tonight.

But I just think it is so important that, again, we lived, we thrived under these PAYGO rules until 2002, when they expired, and we should bring those PAYGO rules back across the board to apply to new spending as well as new tax cuts.

I believe the gentleman is correct: When the economy is slowed down, it is very appropriate to stimulate the economy through certain targeted tax cuts. I have voted for those before and I will vote for those again. But what we cannot do is have across-the-board tax cuts on everything, to tax cuts for middle-class taxpayers, as we have talked about here tonight, to total elimination of the estate tax and others.

We cannot afford all those tax cuts, because, again, Mr. Speaker, it is not we that pay for them; it is future generations in our country, and we are doing untold damage to our country and to the future of our kids and grandkids if we persist as we are here.

I invite the gentleman, I implore the gentleman and our colleagues across the aisle, to sit down with us to pass this motion, number one, and sit down with us and identify waste and fraud and abuse, where we can eliminate wasteful spending and continue to have the tax cuts that we have. That is the right recipe for our country, for the future. It is the right thing to do for our children and grandchildren and future generations in this great country that we all appreciate and love.

The SPEAKER pro tempore. Without objection, the previous question is ordered on the motion.

There was no objection.

The SPEAKER pro tempore. The question is on the motion to instruct

offered by the gentleman from Kansas (Mr. MOORE).

The question was taken; and the Speaker pro tempore announced that the yeas appeared to have it.

Mr. MOORE. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The SPEAKER pro tempore. Pursuant to clause 8 of rule XX and the Chair's prior announcement, further proceedings on this motion will be postponed.

PRESIDENT PERVEZ MUSHARRAF OF PAKISTAN TO VISIT CONGRESS

(Ms. JACKSON-LEE of Texas asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Ms. JACKSON-LEE of Texas. Mr. Speaker, as the co-chair of the Congressional Pakistan Caucus, I would like to invite all Members of Congress tonight to meet with President Pervez Musharraf. I, along with my co-chair, the gentleman from Indiana (Mr. BURTON), will be hosting President Musharraf at a dinner reception at 6:30 tonight at the Committee on International Relations hearing room in the Rayburn building where President Musharraf will officially inaugurate the United States Congressional Pakistan Caucus.

The Congressional Pakistan Caucus was created in an effort to foster mutual respect and cooperation between the United States and Pakistan. We are also looking forward to improving and further developing long-term political and security relations between the United States and Pakistan and also within the South Asia region.

It is because of Pakistan's promise for the future that I encourage all Members to join the Pakistan caucus. President Musharraf has been one of America's staunchest allies in the war on terror. His leadership has led to the capture of nearly 500 terrorist suspects who have been handed over to the United States.

President Musharraf has coined the term "enlightened moderation" to describe his reforms in Pakistan, including his efforts to advance the educational system so that every boy and girl in Pakistan can receive a proper education that does not teach hatred of the West.

Mr. Speaker, I encourage my colleagues to join us because we want peace. Let us have peace by exchange, involvement and, of course, interaction.

As the Co-Chair of the Congressional Pakistan Caucus I would like to invite all Members of Congress tonight to meet with President Pervez Musharraf. I along with my esteemed Co-Chair Congressman DAN BURTON will be hosting President Musharraf at a dinner reception at 6:30 tonight at the International Relations Committee Hearing Room at room 2172 of Rayburn, in which President Musharraf will officially inaugurate the Pakistan Caucus.

The Congressional Pakistan Caucus was created in an effort to foster mutual respect

and cooperation between the United States and the nation of Pakistan. The Caucus is also focused towards improving and further developing long-term political and security relations between the United States and Pakistan and also within the South Asia region. It is because of Pakistan's promise for the future that I encourage all Members to join the Pakistan Caucus.

As you know, President Musharraf has been one of America's staunchest allies in the War on Terror. His leadership has led to the capture of nearly 500 terrorist suspects, who have been handed over to the United States. As well, he has coined the term "enlightened moderation" to describe his reforms in Pakistan including his efforts to advance the educational system so that every boy and girl in Pakistan can receive a proper education that does not teach hatred of the West. He has also made great strides towards making peace with India by engaging in a dialogue that has produced a number of positive developments. His leadership is helping to move Pakistan towards being the moderate Islamic nation it was intended to be at its creation.

Again, I encourage all Members to come tonight at 6:30 to meet with President Musharraf at the House International Relations Committee. His visit to Washington promises to be historic in nature and is not to be missed.

SPECIAL ORDERS

The SPEAKER pro tempore. Under the Speaker's announced policy of January 7, 2003, and under a previous order of the House, the following Members will be recognized for 5 minutes each.

DUST CLOUDS; NO RAIN

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Kansas (Mr. MORAN) is recognized for 5 minutes.

Mr. MORAN of Kansas. Mr. Speaker, much of the central and western United States has been suffering from a grinding, unending drought that continues to harm farmers and ranchers and the rural communities in which they live. Compounding these losses is every disaster imaginable: hail, frost, tornado damage, and, yes, even flooding.

For nearly half of the 8 years that I have had the opportunity to represent Kansans in Congress, much of our State has been in a severe drought. It gives me no joy to speak before my colleagues tonight and describe the difficulties that Kansas farmers and ranchers are enduring. With a resolve that finds itself in the roots of a previous generation of hardy pioneers, they are struggling to survive.

The destruction from three hurricanes on homes, farms, businesses, schools, local economies, and, most importantly, the loss of life in Florida and other Gulf Coast States cannot be overstated. The people of Kansas mourn the deaths and support the rebuilding of lives and the reconstruction of those communities.

Adverse weather conditions have no respect for State lines and, unfortunately, Kansas and other central and