

The fact is the President has no plan to dig our Nation out of the fiscal mess that his policies and the policies of this Congress have created. He pretends that he will halve the deficit by 2009, but almost all the deficit reduction in his budget is attributable to growth in the Social Security Trust Fund. I ask my Republican colleagues: Where have you hidden the Social Security lockbox?

Furthermore, the President pretends that reining in nondefense discretionary spending will return the budget to balance. The No Child Left Behind Act is still underfunded by \$9 billion plus. The President would slash funding for the environment and from construction on our Nation's highways. His budget even cuts funding for veterans medical care and the Assistance to Firefighters Grant program.

My good friend, the chairman of the Committee on Appropriations, the gentleman from Florida (Mr. YOUNG), has recognized the fallacy of trying to balance the budget by cutting discretionary spending. Yesterday, Chairman YOUNG said, and I quote, "No one should expect significant deficit reduction as a result of austere nondefense discretionary spending limits. The numbers simply do not add up. Non-defense discretionary represents less than 20 percent, some 18 percent of the Federal budget, and freezing this spending reduces the deficit by a marginal amount."

In fact, if we reduced and eliminated all of discretionary funding, all funding for this Congress, all funding for the executive department, all funding for NIH, all funding for CDC, all funding for CIA, all funding for FBI, and all funding for all other nondefense discretionary spending, we would not balance the budget.

But never fear, while the President proposes draconian and unrealistic spending cuts, he continues to demand that the tax cuts of 2001 and 2003 be made permanent at a cost of \$1 trillion over 10 years. Who is going to pay that? Our children and our grandchildren. Because this generation refuses to pay for what it is buying.

And here is the kicker: The President refuses to offer any explanation of how he plans to pay for them. None. Zero. Nada. Even some of our Republican friends are starting to flinch at this administration's fiscal recklessness. Hopefully, they will vote that way as well, it will not be just rhetorical. And some of them, by the way, do vote that way, and I respect them for that.

On Friday, and the majority leader is sitting here on the floor pretending to ignore my compelling remarks, on Friday, former majority leader Dick Arme was quoted in the Wall Street Journal as stating, and this is Dick Arme, the majority leader immediately preceding our present majority leader, and he said, "I'm sitting here and I'm upset about the deficit and I'm upset about spending. There's no way I can pin that on the Democrats. Repub-

licans own the town now." That was Dick Arme, former Republican majority leader.

I implore every one of my colleagues to reject the President's budget out of hand and to face the fiscal train wreck bearing down on the American people with honesty and candor. Some do. Most do not. When it comes to masquerading as a fiscal conservative, the President deserves an academy award.

We do not have the luxury of pretending, my colleagues, any longer that his failed policies are working. Let us hope that all of us have the intellectual honesty and the courage to face this issue and come together. It will be tough. It will be wrenching in many respects. But it will be the right thing to do for our country. It will be the right thing to do for our children. It will be the right thing to do for America.

THE BUDGET

The SPEAKER pro tempore. Pursuant to the order of the House of January 20, 2004, the gentleman from Texas (Mr. DELAY) is recognized during morning hour debates.

Mr. DELAY. Mr. Speaker, we are heading into the legislative year and we are heading into a campaign year, as we just heard. Campaign rhetoric sometimes overshadows reality and truth. But the Republican majority will be guided by three principal themes this year: Ensuring our security, growing the economy, and defending the family. Everything we do this year in this House will get our Nation closer to one of those goals.

First, we will continue to fund the ongoing war on terror and provide our military service men and women with the tools, training, and resources that they need to protect all of us. We will continue to export democracy and freedom to every corner of the globe.

Second, we will continue our successful work here at home in growing the economy, creating jobs for the American people, and bringing fiscal responsibility to the government. We will make sure that the \$1,000 child tax credit remains the law of the land, something the Democrats opposed. We will not let the marriage tax penalty come back, as it is scheduled to do at the end of this year, something the Democrats want to see the return of. We will fight to keep the 10 percent tax bracket where it is, so that working families can continue to enjoy more fruits of their labors, something that the Democrats do not want to see happen.

Members, it boggles my mind to notice that the Democrats have all of a sudden become deficit hawks. It is amazing to me. In the 40 years that the Democrats controlled this House, they never balanced the budget once. Not once. Deficits did not matter. Tax increases mattered. More spending mattered. They fought every tax relief

bill every President brought before them. They wanted to spend more money. Not once did they balance the budget.

It took less than 4 years for a Republican majority in this House to get to a balanced budget, because we brought fiscal sanity to this House and to this government. So when they talk about the President's budget, what they are screaming about is they want more spending, and the President says no. What they are screaming about is they want to raise taxes, and the President says no. That is what they are screaming about.

And what would happen if they raised taxes on American families? They would kill the growth that has come because we gave tax relief. And if we kill the growth, revenues to the government go down. Then they will want to raise taxes some more; take more money to pay. We just heard the minority whip talk about paying this generation's debt. What he is talking about is raising taxes so that they can spend more. Republicans are interested in growing the economy, the Democrats are interested in growing the government.

Third, this House will protect American families as they struggle to do their all-important work raising their children, caring for their elders, and building their communities. We will pass the Laci and Conner law to protect unborn victims of violence.

We will work with the Senate to finish the reauthorization of the welfare system, to help families get off welfare and into stable and well-paying jobs.

We will make quality and affordable health care more accessible to all Americans regardless of their income level.

And, finally, we will protect the Medicare legislation passed last year from attempts to undermine the promise of guaranteed prescription drug coverage the Congress has made to our seniors.

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Mr. Speaker, as Members know, we are heading into this campaign year with a close election facing us in November. But as contentious as our debates probably will be, although we may have different agendas, our goals of peace and prosperity for the Nation are the same; and further remember that this America is best served when our differences bring out the best in ourselves, not the worst in each other.

MEDICARE BILL LEAVES AMERICA'S ELDERLY OUT IN THE COLD

The SPEAKER pro tempore (Mr. RENZI). Pursuant to the order of the House of January 20, 2004, the gentleman from Ohio (Mr. BROWN) is recognized during morning hour debates for 5 minutes.

Mr. BROWN of Ohio. Mr. Speaker, yesterday felt like Groundhog Day.

America woke up, got more bad fiscal news from the Bush administration, and predicted years and years of growing Federal budget deficits.

We learned this weekend that the \$400 billion Bush Medicare plan passed and signed in December was, in fact, going to cost \$539 billion. Americans were surprised to learn that most of that first extra \$139 billion, most of the first \$100 billion will go straight into the pockets of the drug companies, the group that helped to write the prescription drug bill in the Oval Office. The other \$39 billion is going to shore up the taxpayer-financed payoffs to encourage insurance company HMOs to provide Medicare coverage.

Well, that bad news was not much of a surprise for those of us who work regularly with the White House. President Bush, in the State of the Union, said the new Medicare measure kept a basic commitment to our seniors. The President in that bill may have fulfilled a commitment or two, but it was not to the Nation's elderly. Here are some of the key details the President forgot to tell us about: The estimated cost of the Medicare prescription drug bill over 10 years was \$400 billion; the estimated increase in drug industry profits from the Medicare drug bill are \$139 billion. The additional government payments to the insurance industry to participate in Medicare were originally tagged at \$14 billion. There are 100 Members of the United States Senate, 435 Members of the United States House of Representatives. There are 675 Washington lobbyists working for the drug industry, and we see the influence they have on President Bush and my Republican friends on the other side of the aisle when we look at that bill.

The drug industry gave to Republicans in 2002, \$21.7 million in political contributions. The average elderly American's drug cost is \$2,400. The portion of that average American's drug cost covered by the new Medicare drug benefit is only 45 percent. The average profit margin of Fortune 500 firms in 2002 was 3 percent. The average profit margin of the top 10 drug companies before the Medicare bill was 17 percent. The increase in elderly Americans' Social Security checks last year, 2.6 percent. The average price increase in the 50 prescription drugs elderly Americans used most in 2002 was 6 percent.

Retirees with health insurance before Medicare was signed into law, 50 percent of retirees in this country had health insurance before Medicare was signed into law. Today about 97 percent of retirees in the United States have health insurance under Medicare. Medicare administrative costs are only 2 percent; average administrative costs for insurance company HMOs are 15 percent. The compensation package, including stock options for one chief executive officer of a Medicare HMO in 2002 was \$529 million, even though in the last 4 years 2.5 million of America's seniors were dropped from HMO coverage. The insurance industry gave

\$25.9 million to House and Senate Republicans supporting President Bush last year.

Most telling, on March 1 the bill that President Bush signed, only 3 months after he signed it. The insurance companies, insurance HMOs in this country, will receive hundreds of millions of dollars from the U.S. Government come March 1. But the bill that President Bush signed to take care of America's elderly and their prescription drug coverage does not go into effect for 2 years. The insurance companies get their money 3 months after President Bush signed the bill, America's elderly do not get their drug coverage until 25 months after President Bush signed the bill.

It is clear that the President talked about his basic commitment to America's seniors when in fact the basic commitment of the Medicare prescription drug bill was to America's drug industry and America's insurance industry. Those are the groups that will do well under the prescription drug bill. America's elderly, by President Bush, will again be left out in the cold.

DAVID KAY AND WEAPONS OF MASS DESTRUCTION

The SPEAKER pro tempore. Pursuant to the order of the House of January 20, 2004, the gentleman from Florida (Mr. STEARNS) is recognized during morning hour debates for 5 minutes.

Mr. STEARNS. Mr. Speaker, I am here to sort of elaborate on David Kay's comments dealing with weapons of mass destruction. He is a chief weapons of mass destruction hunter for the United States and he resigned recently, but he made some very interesting statements regarding Iraq's pursuit of the WMD and the possible deception of Iraqi scientists against Saddam Hussein regarding weapons programs. I think it is important to look at the totality of what David Kay said and not just what some of the political pundits have pulled out of his speech. He said that the CIA and other intelligence agencies did not realize that Iraq scientists had presented "ambitious but fanciful weapons programs to Saddam Hussein," and had them use the money that they were going to use for these things for other purposes.

At present, we have not found a huge stockpile of WMD. The search continues. However, we know a few facts. According to a recent New York Times story, Dr. Kay also reported "Iraq attempted to revise its efforts to develop nuclear weapons in 2000 and 2001, but never got as far towards making a bomb as Iran and Libya did." He also said "Baghdad was actively working to produce a biological weapon, using the poison ricin until the American invasion last March." We have all become familiar with this toxin given recent events in the news because of what happened at the Senate office building yesterday.

Many of this administration's detractors have begun using Kay's state-

ments to bolster their particular points of view regarding weapons of mass destruction and Iraq. But let us not forget that the Clinton administration also declared Iraq had WMD and was actively pursuing those types of programs. Dr. Kay's information then supports the assertion of the Clinton administration that Saddam Hussein was pursuing weapons of mass destruction programs.

Saddam Hussein made it clear that he wanted to see the State of Israel and the United States destroyed. He saw himself as a lion standing up to the powerful United States. Although he could not directly attack the United States, it is not unreasonable to conclude that he would transfer weapons of mass destruction, the technology, the weapons themselves and items to a terrorist organization, or to any other rogue nation, to use in a direct attack on our soil; and that is why the President's proposal to look at all of the intelligence activities dealing with weapons of mass destruction, not just in Iraq, but also in other rogue nations, is very important and he is to be commended.

Dr. Kay said the CIA and other agencies failed to recognize that Iraq had all but abandoned its efforts to produce large quantities of chemical or biological weapons after the first Persian Gulf War in 1991. He also stated that contrary to certain allegations, he was convinced that the analysts were not pressed by the Bush administration to make certain their prewar intelligence reports conformed to a White House agenda on Iraq.

The allegations that our intelligence agencies failed to detect the supposed deception within the Iraqi Government and its weapons programs goes to the heart of our problem that many of our colleagues have talked about over the years regarding our intelligence ability. We are far too short of human intelligence, the exact kind of intelligence that can provide what is going on in the minds of our adversaries. CIA does not have people on the inside, to the best of our knowledge. Satellite coverage is great, electronic signals and intercepts are vital, but without human assets on the ground, these intelligence items can project an incomplete picture. They cannot tell what the officials are thinking and what the mood is on the street, or alert analysts to the possibility of deceptive tactics within a particular government.

As a Nation, we must continuously learn from our success and failures. I support President Bush's national security policy and his decision to seek a separate intelligence inquiry. Our credibility is vital if we are to bring more Nations into this fight against terrorism, but we must look at David Kay's statements in their totality.

Mr. Speaker, I commend President Bush for seeking this commission.