

we think of black history, I grew up in an era where I was taught to read by unlocking words and, to an extent, we were taught that history meant his story, and lots of people think of history as meaning his or her story. I have been challenging young people throughout my district and every place that I have gone to view black history not so much in the context of history, but in terms of "mystery," meaning that it becomes my story. And each one of us has a story that we can write or a story that we can tell.

I spent part of Monday, I say to the gentleman from New York, with 10 kindergartners in a school, and they were watching "Roots" as I came into the classroom. And before we ended the day, each one of them had decided that they were going to be an integral part of making black history and that they were going to look back to understand where they came from so that they would have a better understanding of how they got to where they are, and they would have a greater awareness and appreciation of where they ought to be going.

So I want to commend the gentleman from New York and the gentleman from Maryland for helping to bring alive the historical development of African Americans in this country so that all of us know that we continue to move forward even as we look back. I thank the gentleman for this opportunity.

Mr. OWENS. Mr. Speaker, I would like to close by saying that this year, the year 2005, is a landmark year for the observance of African American history in that there will be an African American museum launched here on the Mall during this year. The money has been appropriated for the planning. There is a distinguished board of Americans who are going to go forward with this, including Oprah Winfrey, Ken Chenault of American Express, Tony Welters of AmeriChoice, and a whole group of business people and academics who will oversee the beginning of this process. I would like to call upon all celebrities out there who have money, because part of the arrangement is that the government will pay for one-half of it, and the other half has to be raised in private contributions. So I call on all of the celebrities and the stars and the athletes to come forward and let us make certain that this great project does not falter at all as a result of not having the private funds to match the government funds.

It is a great day in the observance of African American history, a long haul from the day when Carter G. Woodson asked for a 1-day observance and could not get it, and then it finally became a week and a month. We want a museum that brings it all together right here in Washington to make sure that our children and the children of all Americans, not just African American descendants but all Americans, understand the role and the contribution of African Americans to the history of this great Nation.

MOURNING THE LOSS AND CELEBRATING THE LIVES OF THREE PROMINENT CHICAGO CITIZENS

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

Mr. DAVIS of Illinois. Mr. Speaker, I want to thank the gentlewoman from North Carolina (Ms. FOXX) for giving me the opportunity to make these comments prior to the hour that she will be using on behalf of the majority.

Mr. Speaker, this week, residents of Chicago lost three of its most prominent citizens. Earlier today, the funeral was held for a blues singer, a fellow named Tyrone Davis, who has had great popular songs such as "Mom's Apple Pie" and "Turn Back the Hands of Time." Tyrone grew up in Mississippi, rural Mississippi, as a matter of fact, not far from Greenville. He came to Chicago and ultimately became one of the top recording artists in the country. He also happens to be a resident of the neighborhood that I come from. He came and lived on the west side of the city of Chicago and interacted in the night clubs and blues joints before he rose to the top.

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And so I simply want to express condolences to the wife and family of Tyrone Davis, great blues singer. We also lost this week attorney Earl Neal, one of the most accomplished lawyers that the country has ever seen.

Earl distinguished himself as a great attorney, great trial lawyer, but also was actively engaged and involved in civics and community affairs, chairman of the board of trustees of the University of Illinois, his alma mater; chairman of the University of Illinois Alumni Association; and also chairman of the Urban Health Program, where, through his efforts, the University of Illinois trained more African American physicians and dentists than any college or university in the Nation, with the exception of Howard and Meharry.

And so certainly we want to extol our condolences to Earl's wife, Isabella, his son, attorney Langdon Neal, and other members of his family.

And finally Milton Davis, who was chairman of Shorebank, little group of people got together, started a bank, they called it south Shorebank. It emerged as the number-one community lending institution in the Nation. Right now its assets are more than a billion dollars, and Milton Davis and I collaborated, and he put a bank in the neighborhood where I lived, called the Austin branch of Shorebank.

So I simply want to express condolences to his wife and family, and all of those who are associated with Shorebank, one of the top community lending institutions in the Nation, on the life and legacy of Milton Davis, its former president and chairman.

Mr. Speaker, I take this opportunity to commend the life and work of one of America's

most skilled, most effective and most influential lawyers, Attorney Earl Neal. Over the years, I have often heard Earl Neal referred to as a lawyer's lawyer or as the city's expert on may issues, no matter who the mayor or city's management might have been composed of. I have been involved in court cases and litigation where I was on one side and Earl was on the other. In each instance, although we were (in fact adversaries) I always found myself wishing that we were on the same side. There were instances where we were on the same side of issues and I always had the highest level of assurance that were being represented as well as humanely possible.

In addition to being an outstanding lawyer, Earl and his wife Isabella were prominent civic and social leaders in the State of Illinois. He was intimately associated with his alma mater, the University of Illinois serving on the Board of Trustees, President of the Alumni Association and Chairman of the Urban Health Advisory Council which resulted in the University of Illinois training more African American physicians and dentists than any medical school in the USA with the exception of Howard and Meharry.

To Mrs. Neal and Attorney Langdon Neal and other members of the family, you have the heartfelt condolences of myself, my wife, Vera and our entire family. Earl has been as Harold Washington would say, "fruit of the loom, best of the breed, in a class by himself."

STOPPING WASTE, FRAUD AND ABUSE IN GOVERNMENT SPENDING

The SPEAKER pro tempore (Mr. DAVIS of Kentucky). Under the Speaker's announced policy of January 4, 2005, the gentlewoman from North Carolina (Ms. FOXX) is recognized for 60 minutes as the designee of the majority leader.

Ms. FOXX. Mr. Speaker, I rise with my colleagues today to highlight the important role this Congress must play in rooting out waste, fraud and abuse in government spending. The Federal Government currently spends over \$69,000 every second of every day. That astonishing figure is simply too high. This Congress must become a better steward of the taxpayers' dollars and we must do it now.

Our constituents deserve to send less of their hard-earned dollars to Washington and have more of their money to spend on their families, businesses and dreams. They meticulously budget their dollars at their kitchen tables and we owe it to them to do the same here in Washington.

Mr. Speaker, in order to do this, we must crack down on waste, fraud and abuse in government spending. We are going to have others of our party speak.

And now I would like to yield the floor to my esteemed colleague, the gentleman from Texas (Mr. CONAWAY).

Mr. CONAWAY. Mr. Speaker, I thank the gentlewoman from North Carolina for yielding. I appreciate the esteemed remark. I am not sure what that means, but I will take it as a compliment. Thank you very much.

You cannot talk about eliminating waste, fraud and abuse in Federal spending without kind of putting it in some context. During the 1950s, the Federal income tax amounted to about 2 percent of the family budget.

At that point in time, Americans had continued to experience a growing standard of living as it has continued to grow. In the 1990s, however, the Federal income tax consumes about 25 percent of that same family of four's income. And I think most of us have run on platforms that have said that Americans are overtaxed.

Tax levels at all levels when you begin to add Federal income taxes, State income taxes, local taxes, the sales taxes, the variety of taxes that we all pay from cradle to grave, they consume about 50 percent of a family's income.

We will celebrate, sometime in April, May, June, the day keeps getting longer each year, a tax holiday in a sense that most average Americans will have worked through that part of the year in order just to pay their taxes.

We will spend in this government on the order of \$2.5 trillion in fiscal 2005 and 2006. You have already put that in context, \$69,000 per second that is spent across the board, for the most part, most of it on programs that we all agree on; but some of it I think gets spent on things and in ways that we believe would be inappropriate.

The House Budget Committee has recently released a report that shows that there are billions, literally billions of dollars that are going to waste. These moneys are being paid to people who do not deserve them, people being paid by accident, being paid in many instances through fraud schemes, where folks are frauding the very systems that we put in place to help and nurture those in our society, those in our communities who can least afford to live. Those programs get preyed upon by some of the worst in our society.

You know, I suspect that speaker after speaker has stood at these microphones, on both sides of the aisle, to condemn wasteful spending, money that is getting spent that should not get spent. I suspect that if we took a vote in this House it would be a 435-to-0 vote against wasteful spending. It is very difficult to find a politician who would stand up and defend wasteful spending.

It is hard to find a constituent group that would stand and defend wasteful spending. The President has proposed a budget recently, and in that budget he has proposed about 150 programs that would be either cut, or spending reduced. In Washington, since that budget came out on the February 7, we have been the recipients of special interest groups across the board who want to defend those very programs. We cannot find a single special interest group who would be willing to defend waste, fraud and abuse in our Federal spending.

Let me give you some examples that will help put this in context for our fellow Members here in the House this afternoon, kind of what we are talking about. Twenty-one of the 26 major departments and agencies currently receive the lowest possible rating for their financial management.

Let me put this overall thing in context. I am a CPA. I have been in business as a practicing accountant for some approximately 36 years. And hearing things like this are obviously troubling to me on a professional level as well as on a taxpayer level, that we would have things like this going on.

The single most troubling one, as a former auditor, someone who has examined other peoples' books and rendered opinions as to the reasonableness of those books, the U.S. General Accounting Office will not certify the Federal Government's own accounting books because the bookkeeping is so bad.

Unfortunately we have got agencies, big and small, who cannot keep up with the tax dollars that Congress allocates to them to spend. We are 2½-plus years now into living under the Sarbanes-Oxley bill, a bill that came into existence as a result of financial accounting abuses by certain of my brethren in the accounting profession and certain leadership in various corporations.

We now have in place rules and regulations that require publicly traded companies to certify their books, that the chief financial officer certifies that book, that the CEO certifies that the books are correct under the penalties of going to jail for Federal felonies if those are incorrect. There is no one in the Federal Government who signs a financial statement under that same penalty.

So the fact that we cannot keep our own books ought to be troubling on a variety of levels. Talking about some specific dollars, the Federal Government made \$20 billion in overpayments in overall payments. Medicare payments by themselves totaled \$12 billion overpayments in 2001.

Mr. Speaker, I think we can do a lot with \$12 billion. There is an awful lot of those programs listed in the President's 150 that could be covered by that \$12 billion. I think the total savings that the President projects out of that 150 is about \$20 billion.

Now, those of us who have a checkbook and write checks, you know, never write a billion-dollar check. We do not have a clue realistically how much money a billion dollars is in trying to stack it up. But to put it in context of overall savings of \$20 billion, if we have got overpayments, either through by accident, charges that should not have been, double billings, physicians and health care providers who are scamming the system, that 12 billion is a big number.

Social Security income program has made overpayments of about \$2 billion in 2002. And the Federal Management Service at the U.S. Treasury Depart-

ment could not produce details on outstanding checks. In one case it caused a \$3.1 billion overstatement of cash.

Now, I used to be a small businessperson and worked with companies as their auditor. One of the things you do when you write a check is you have a source document as to why you wrote that check. You got an invoice from a vendor in most instances, and you attach it; someone approves that invoice and someone sends it over to the check-writing department and they write that check. Then you file that invoice, and then at the end of the year the auditor comes in or the owner comes in and said, I need to kind of figure out where we spent our money.

You see this list of checks. You want to know why this check was issued. Then you go look in the file cabinet, or, in today's world, the way electronic data is kept, you go look for that source document: Why did we write that check?

Well, in an organization as large and as expansive as the Federal Government, you would expect a few invoices to be missing. I mean, that is just the nature of the beast. We do not all keep all of the records that we are supposed to. That is not to condone it, but it is the real world. \$3.1 billion in checks written that we do not know why they were written, or we cannot prove why they are written, seems to be an area that we could make some improvements in.

If I may give one example, a personal example. My mom and dad are of an age that they are on Medicare. And my dad has got diabetes and needs a certain supply of things to handle and take care of his diabetes. The suppliers continue to overship that stuff to my mom and dad.

Well, my mother is just very diligent and Rambo about not accepting it and shipping it back, because, you know, she just keeps the regular 30-day supply of the supplies that my dad needs to take care of his diabetes.

Well, what is happening here is that these companies are gaming the system. Because when they ship it, then they get to bill Medicare for those products. That is just simply not fair.

So I will brag on my mom. She is out there in the hinterlands lands of west Texas, out in Odessa, Texas, trying to save and do her part to save taxpayer dollars so that legitimate Medicare expenses that ought to be paid get paid. And that as we try to work with the very daunting task of cutting spending in Federal Government this next year, starting with the budget process right now, and working through the appropriations process and the authorizing process, that we are looking at dollars that ought to go to programs. We are not looking at dollars that are being funneled into areas or into scams or overpayments.

As I mentioned, as a CPA and one who has signed the firm's name on audit papers before and audit reports,

we can do better. I do not pretend that we cannot. It is a tough job. Obviously the Federal Government is the single largest financial entity, I suspect, on Earth, the U.S. Federal Government.

And so keeping track of all of those dollars ought to be hard. It is hard, but that is no excuse for why it should not be done, why it should not be done to the same standards that we require the largest multinational corporations in our country to maintain their books, to be able to report to their shareholders what is going on, so that each year in October when we get the financial statements from the Federal Government we have got some confidence in those numbers, that we can then take that information and use the information to make public policy decisions that ought to be made.

Included in all of this effort of keeping the books correctly ought to be an ongoing vigilance to watch out for waste, fraud and abuse. Wasteful spending hurts, fraudulent spending is a crime, abusive spending is a crime. Those folks should go to jail. I know we have got some instances where that is happening. But the cost of not doing this means that legitimate recipients for all of those programs have the risk of not being able to get the money, because it has gone in a wasteful manner, or in a fraudulent manner or in an abusive manner, so that the taxpayers of this good country are overburdened to the extent that we do have waste, fraud and abuse within our system.

□ 1545

So I want to thank the gentlewoman for bringing this topic to the table today to let us have a chance to rant and rave about it, to talk to our fellow Members here in the House to try to help them with seeing how important it is as we go about this work to do that.

So I thank the gentlewoman for her bringing this topic up today and allowing me to speak.

Ms. FOXX. Mr. Speaker, I thank the gentleman from Texas (Mr. CONAWAY).

One of the wonderful things about having these programs and allowing different people to speak is that we get lots of different perspectives, and I think the Representative from Texas has brought us the perspective of a CPA, and I think that is an excellent perspective. We need more people with the kind of background that he has.

I want to say that I think we are extraordinarily fortunate to help us in putting a focus on this issue of waste, fraud, and abuse that we have the President having set the tone for us. He said in his State of the Union address a couple of weeks ago, the principle here is clear: taxpayer dollars must be spent wisely or not at all.

I think that that is absolutely the attitude that all of us must have at all levels of government, but particularly at the Federal Government level. We all have to remember that we are in the business of spending other people's

money, and we have to be as careful with that as we are with spending our own money, even more so. We have to really work at making sure that the dollars are spent wisely; and, again, as my esteemed colleague said, we do not want waste, we do not want fraud, we do not want abuse because where Federal dollars are being spent on programs, we want them to go for much-needed services.

I want to, Mr. Speaker, yield to the gentleman from Louisiana (Mr. JINDAL), my esteemed colleague who is here to add his perspective on this issue.

Mr. JINDAL. Mr. Speaker, I thank the gentlewoman for the opportunity to speak on such an important topic.

We as Members of the House have several responsibilities. Perhaps one of the most important responsibilities is to be a good steward of the people's money. We have to approve the budget every year, but we need to remember that money comes from the hard-working taxpayers of this great country of ours, and so often I get frustrated when people act as if that money literally grows on trees rather than being paid into our Treasury by people that are struggling to balance their checkbooks, to pay their mortgages, to pay off their debts. We need to be more responsible. The philosophy should not be, if we can get it, then we should spend it. We need to be much more responsible than that.

I would like to share with my colleagues here just a few of the most glaring examples of the waste, fraud, and abuse in our Federal Government. Anybody who thinks that we need to raise taxes to get rid of a portion of our debt or deficit has not paid attention to all the waste that is currently happening in our Federal spending.

I will give my colleagues a few examples. First comes from the National Park Service, and maybe my colleagues have heard of this one before. They spent up to \$800,000, that number is not incorrect, \$800,000 on an individual outhouse. The Park Service spent \$330,000 in design costs, and then they built this particular outhouse at the Delaware Water Gap National Recreational Area with imported wood and \$20,000 cobblestone veneers, and that is despite the fact these toilets do not even work in the winter because the facility only has running water 6 months of this year. This is according to ABC News. Think about that. Hundreds of thousands of dollars for an outhouse that only works 6 months a year. No wonder taxpayers are outraged and they demand we do better.

A second example. The Women, Infants and Children program that is designed to serve low-income mothers and their children who are at nutritional risk. Some wonderful successes, and this program achieves some wonderful goals, especially in my home State of Louisiana.

However, the \$5 billion program annually does no income verification of

its participants. If we did one simple thing, if we simply made sure that those who get WIC are actually eligible for WIC, that the number of participants who have incomes exceeding eligibility levels were properly limited the way we do in the school lunch program, as many as 27 percent of the current participants may not be eligible. That is according to the Los Angeles Daily News. Twenty-seven percent of the participants in what is otherwise a good program may not be eligible if we just enforce our existing rules.

Another example. This comes from an Inspector General's report. The Department of Justice's Inspector General audits of the COPS grant program, again a program that has had some successes, identified more than \$1 million in questioned costs and more than \$3 million in funds that could have been put to better use.

Also from the same Inspector General at the Department of Justice, in the same year, found nearly \$1 million in equipment purchased with grant funds was unavailable for use because the grantees did not properly distribute the equipment. They could not even locate it or had not been trained on how to operate it. That is \$1 million of taxpayer dollars spent on equipment that might be needed to enforce laws and bring safety to our communities that is being wasted because they do not know where the equipment is or they have not trained their staff in how to use the equipment.

The Forest Service, another example again from the Inspector General. The Forest Service recently said they could not figure out why they spent \$215 million out of a \$3.4 billion operating budget, nor why the agency double-counted \$45 million of income. They double-counted \$45 million of income from other agencies. Think about that. If any of us did that in our private lives, in a business or in our checkbooks, we would probably not only be audited but may even be guilty of charges, and yet here we have our own government doing this, double-counting income, not knowing how they spent \$215 million of our money.

I want to spend some time on Medicaid fraud. In 2002, a Wisconsin transportation company repaid \$1.6 million to Medicaid for multiple round-trip billings for dead people and people in the hospital. Think about that. They repaid \$1.6 million, had to repay that back because it was found out they were billing the Federal program for providing services to dead people.

In my own home State of Louisiana, I had the honor of serving as the Secretary of the Department of Health and Hospitals; and back in 1996 and 1997, we were facing some fairly large budget challenges. As we tried to overcome those challenges, we discovered it was possible to cut hundreds of millions of dollars of spending, even while we improved the quality of health care.

Part of the way we did that was to weed out the rampant fraud and abuse,

even though the vast majority of providers, those who needed it the most, a small number of people, abused that program, ended up wasting millions, if not billions, of dollars in Federal taxpayer money.

For example, we also had some challenges with nonemergency transportation providers. There used to be a joke in Louisiana that it was sometimes hard to get a taxi because they would all become nonemergency transportation providers. There were reports of people being taken to shopping and other errands and the State and the Federal Government paying for this as if they were medical visits. We, too, had reports of agencies billing the Federal Government and the State government, providing services to dead patients.

We used to have another joke in our State about dead people voting and being accused of that happening in the past; and I used to say, I do not know if they are voting, but they are certainly getting health care services in our State and we are paying for it. We as taxpayers are paying for it.

We had instances where we had literally providers sending out vans to pick up children after school, and oftentimes they were reputed to have the parents or offer the children candy bars or cigarettes for the parents or maybe \$5 to bring those children to these Medicaid mills where they bill again the State and the Federal Government for services they were not even being provided. They would literally run through dozens and dozens of children, billing thousands and thousands of dollars for services that were never rendered.

We had an audiologist that billed the State for services even though he did not own the equipment needed to provide those services. We had one hospital paid even after it had closed its doors, and we could go on and on about these instances of abuse, of waste, of fraud.

Perhaps two of the saddest things about that, and I am proud we did eliminate that, we did get rid of those abuses which saved hundreds of millions of dollars for the taxpayers, even as we improved the quality of health care.

Immunizations went up. Louisiana rankings went up. People got better quality health care. We gave senior citizens more control over health care choices, even as we controlled spending; but there were two lessons that I learned from that.

One, and unfortunately we were reminded of the fact, simply throwing money at the problem is not the solution. Louisiana went from the late 1980s a billion dollar Medicaid program to when we took over almost between a \$4.5 billion Medicaid program, spent all of that additional money, almost 70 percent of which came from Federal taxpayers; and yet we still did not improve our health ranking substantially. I think what that proved is simply

throwing Federal money at a problem without putting in the right safeguards and accountability, it does not improve the quality of life for the people we were elected to serve, but rather too often wastes taxpayer dollars.

So the first thing we must remember in this Chamber as we are responsible for appropriating the people's money, we are responsible for representing those that elected us here is we must keep a vigilant oversight over these Federal agencies, over these dollars being spent out of this Nation's Capitol, because there is too much of an opportunity for fraud, for waste, and for abuse.

The second lesson that we learned that we also were reminded of was too often there are those that have the attitude that, well, I am simply spending somebody else's money, why are you worried about this. We confronted a provider who had been guilty of cheating the program, admitted he was cheating the program, and he simply said, everybody else was doing it, I thought I should do it as well. I cannot think of a sadder commentary when you think of the real genuine needs we have in this country, the people that truly need help in their health care, when you think of the needs we have to continue to cut people's taxes.

We as an American people pay too much in taxes as it is, and here you have people whose attitude sometimes seems to be, well, that is somebody else's money, as if Federal money grew on trees, as if their taxes were not supporting these Federal programs.

So I congratulate and I thank the gentlewoman for giving us this opportunity to come here and shine a spotlight on the abuses rampant in so many of our Federal programs, to give us an opportunity to remind this Chamber, to remind my colleagues of the importance of eliminating fraud, waste, and abuse.

When we have serious challenges facing our country, when we have the obligation to provide body armor and supplies to our brave men and women in uniform who are defending our freedoms overseas, we have an obligation to strengthen Social Security so that our parents, our grandparents, and our children will all be able to benefit from this program in their retirement age.

When we have got challenges with the number of uninsured in this country, we cannot afford to be wasting billions of dollars of taxpayers' money. It is not right, and it is something that we must put an end to.

I want to thank again the gentlewoman for giving me this opportunity to shine the spotlight on what needs to be done.

Ms. FOXX. Mr. Speaker, I thank the gentleman very much.

I think that comments from the other two speakers are a perfect segue into our presenting some information on how individual citizens can report fraud and abuse to us. Both the Committee on the Budget and the Com-

mittee on Government Reform, on which I serve, have worked hard to try to identify fraud and abuse and inefficiencies, and I want to put up this information to show people that if you know of a situation where you know there is waste or abuse or fraud, that you will get in touch.

You can get in touch, of course, with your own personal Representative or Senator, but you can also get in touch directly to the Committee on the Budget, wasteful spending, and there is an address here. The phone number may be a little bit hard to remember. It is (202) 226-9844. If you wanted to get in touch with me, and guarantee that something would be done or someone would follow up on it, my number is (202) 225-2071. This is an issue about which I feel very, very strongly and always follow up on.

I have a letter here that I received recently that I have passed along to the people in the State of North Carolina because of the concern, and this is the kind of thing that we have to stop because all of us are paying for this.

The letter says, I am a citizen of Greensboro, North Carolina, and something has come to my attention I just have to make you all aware of. I have been watching a case of Medicaid fraud for over a year now, and it has only gotten worse. I have called all kinds of fraud lines in North Carolina, and no one seems to care or know who to direct me to. So I have come to you.

What I did was I passed this along to the appropriate people in North Carolina. I do not have answers on it yet, but this is an example of really egregious fraud, and I am sure there are lots of other examples, and my hope is that people watching us today will talk with their friends and let us know if there are other situations like these.

There is this woman that is a certified nursing assistant that is supposed to be going into this home to give care to a 70-year-old woman. The CNA comes in for only 10 minutes, sometimes 30 minutes at the most, and goes to the ABC store for this woman and leaves.

□ 1600

Sometimes she just goes inside and comes right back out.

The woman works for an agency that knows she is doing this, because at one time there was a complaint by a family member. The problem is that the State of North Carolina is paying her for services rendered in the amount of 4 hours daily at \$9 an hour. This has been going on for over a year and it has gotten even worse because, as of last year, the husband now is on Medicaid and he is now receiving these same services. Now the hours have doubled but the care has not changed.

"The CNA is not caring for the husband and wife, only going to the ABC store. Sometimes she takes him to the grocery store. They only call the CNA when they want to go to the ABC store. I think this is an expensive way for the

taxpayers to have to pay for taxi services, because that is all she does. She comes out of the house, laughing, after being inside only 10 minutes. She is laughing all the way to the bank at our expense.

"Please look into this situation very carefully because there's a possibility that this CNA may have added another Medicaid person to her pay. The agency that she works for is very much aware of this but they have done nothing about it. She has brought in three cases, and one of them has dropped because of the attention it was bringing.

"This needs to be stopped and very soon. We've paid these people enough money for nothing. The couple that is receiving these services are in their right mind and know this is fraud because I have told them this and they continue to sign time sheets, false records."

And then she goes on to give the names of the people receiving the services, and she also says that she has been threatened for doing this. She has also given the information to newspapers in Greensboro and Winston-Salem, but they have done nothing about it. "It is so crazy for dollars to be wasted and every year taxes go up."

So I want that individual to know that I have passed this along to the proper agencies in North Carolina and I am expecting them to look into the case and make sure that we stop this waste of money.

Now, I want to go back to talking a little bit about what our committees are doing here in the Congress to deal with this. I commend the efforts of the gentleman from Iowa (Mr. NUSSLE), chairman of the Committee on the Budget, and the gentleman from Virginia (Mr. TOM DAVIS), chairman of the Committee on Government Reform, for the commitment they have made to eliminating waste and reducing the budget.

The gentleman from Iowa (Mr. NUSSLE), as chairman of the House Committee on the Budget, spearheaded the effort to eliminate waste, fraud and abuse during the last Congress and made great strides in identifying and eliminating such spending. He pledged to find and eliminate one penny out of every dollar.

Now, that may not sound like a lot, but it soon adds up. His commitment to deficit reduction should be applauded, and this is one of the mechanisms that the Committee on the Budget came up with, is to establish this abuse line and abuse office so that people could report it and have something done with it.

The gentleman from Virginia (Mr. TOM DAVIS), as chairman of the Committee on Government Reform, also reminds us that the answer to the deficit problem is not to merely cut off fingers and toes, but what the Federal Government has to do is trim the fat. We have to, just like our constituents have done, tighten our belts and control the amount of spending so that we can re-

duce and ultimately eliminate the deficit. We must eradicate duplicative programs and hold government agencies accountable for their spending practices.

This is something I am very proud that Republicans are emphasizing more and more, and that is to hold the programs accountable. As I said earlier, the President has said that if we are going to spend a dollar, it has to be spent well.

I want to talk a little more about some of the differences between the Democrats and the Republicans and their attitudes toward holding down spending, but I would like to recognize my colleague, another one of my colleagues from the State of Texas, for him to make some comments about this very important issue.

Mr. Speaker, I now yield the floor to the gentleman from Texas (Mr. GOHMERT).

Mr. GOHMERT. Mr. Speaker, I want to thank the gentlewoman from North Carolina for yielding to me. She is a dear friend, and I am glad to count her as a friend. I appreciate this opportunity.

As we know, there are many areas in which there is plenty of waste, fraud and abuse. We can look around and see it for ourselves. One of the things I have felt more and more strongly about that I would not mind seeing is a moratorium on Federal building and leasing here in Washington. Because the more that gets built in Washington, the more that gets leased in Washington, the more bureaucrats it means back in our States, the more bureaucrats back in our State capitals, and then more bureaucrats have to be in our local districts. That is something I would sure like to work on.

Now, having been a district judge and a chief justice of the court of appeals, I am also quite familiar with other types of waste. I do think it is a waste and an abuse when we have three separate branches of government and one branch decides to take the obligations of the other two branches and begins to legislate as well as usurping some executive functions.

We have had courts that took on the management of different things. We have heard testimony about a court that is trying to manage, and it has been going on for, I guess 9 years, with regard to the Native Americans' money, and it is in litigation right now. Courts have an obligation to get cases to trial, to come to judicial conclusions. They do not have the right nor the obligation, for sure, to begin legislating or taking on the executive function of managing. We have seen far too much of that.

Now, we have passed today in the House class action reform. Hopefully that will make a difference in some of the abuse that has occurred in some types of class actions. There has to be a remedy for people who are wronged. There has to be the availability of the class action in order to remedy some

wrongs. But for those cases in which it has gotten out of hand, I am proud we have been able to pass some legislation to move toward curbing that abuse.

Another thought has occurred to me. I know personally that we have courts that need help. They are overworked. We have had the President renominate 12 candidates for the judicial bench in the Federal system. One of my friends and classmates from Baylor Law School, Priscilla Owen, was nominated May 9 of 2001. She was abused to the extent that she is going on 4 years now without having an up-or-down vote, as the law requires.

There were a number of other judges who were nominated in 2001. It is an abuse and a failure to comply with the oaths that were taken to vote up or down on these people. Give them a vote. Their life is in limbo. It is a pure abuse. And it has left courts unmanned. They need the help.

So one of the thoughts I had, and I do not know that I have ever really talked to my colleague about this, but one of my thoughts is, where we find that there are courts, say for example the Ninth Circuit, who begin legislating from the bench, obviously they have got too much time on their hands. We have courts that just cannot get to their backlogs. They need help.

My thought is that it would help the system, help curb the waste and abuse, if those areas where they have too much time on their hands, that we take some of their funding, take some of their personnel, take some of their benches and put them over in area where they do not have time to legislate; where they are strictly a judicial body. Because they need all the help they can to take care of their caseload. Let us move some of those people that had the free time to start legislating and started managing functions of other groups and let us get their benches, their assets, over in areas where they need the help. I think that would curb things greatly.

I am also cosponsoring a bill. We have heard where some Federal funds, Medicare, may be used to buy Viagra for folks. Well, that has gotten a rise out of people here in Washington. That is something we need to address. Federal funds should not be for pleasure purposes. It is to help people that really need help. So I am looking forward to us curbing that bit of waste and abuse.

Mr. Speaker, I appreciate the opportunity to address a couple of these issues, and I appreciate the gentlewoman's yielding some of her time. I think that some of the judicial waste and abuse that has occurred should be curbed because there are some really, really, fine Federal judges. They need help. We need to get them help and we need to cut out the waste in those courts that have abused their situations.

Ms. FOXX. Mr. Speaker, I thank my colleague for his comments.

As I said earlier, one of the nice things about having these events is

that we get different perspectives from different legislators and from different parts of the country.

I think that Republicans feel very, very strongly about what the President has said, that we must spend taxpayers' dollars wisely or not at all. I have asked the pages to put these charts up here again, and we will do it right at the end of this hour once more, so that we can make sure people know that there is a place they can write, there is a place they can call to report abuse, fraud and inefficiency, and that we will look into those.

I think Republicans are very much committed to this principle. But, unfortunately, we are having to overcome an attitude that has been in existence for a long time in this country relative to the spending of Federal dollars. The other day in a meeting of the Committee on Education and the Workforce, I was struck by a comment that one of my Democratic colleagues made. As a freshman, I had decided I was not going to make very many comments. But this comment just struck such a nerve with me that I had to speak up. He said that we were not spending enough money on counseling for people who were out of work in New York City and that he wanted us to spend \$750 million more on a program. He called that a paltry sum of money.

Paltry means a very, very small amount. Insignificant. As I said, I had not intended to say anything, but that struck such a nerve with me, because I know that the American people think that \$750 million is not a paltry sum of money. As one of our predecessors in the Senate said some time ago, "A million here, a million there, and pretty soon you're talking about real money."

So we have to adopt the attitude that even a dollar is real money. And when we have people who speak in a committee and say that \$750 million is a paltry sum of money, their way of thinking is quite different from mine and I think from the majority of the Republicans in this House, and I am glad to report that.

I know that we have some other Members that are going to speak on this issue, and I want to recognize another colleague, who has a very famous name, the gentleman from the great State of Kentucky (Mr. DAVIS), to offer his comments at this time.

Mr. DAVIS of Kentucky. Mr. Speaker, I thank the gentlewoman for yielding to me.

I believe that our founders would stand aghast if they saw the size and the reach of the Federal Government and how it has grown over two centuries. Certainly times have changed, but the cost of government continues to rise. Archaic processes, lax accountability and a lack of connectivity, and often competing agendas on top of that, consume more and more dollars and waste untold billions of hard-earned taxpayer dollars.

My colleagues have shared horror stories of how these dollars have been

wasted, but this afternoon I would like to offer a prescription for reform. The solution is not simply removing regulations, it is not simply identifying programs where we feel pain or see pain, it is, rather, we need to change as a government, as a people, and as regulatory agencies, how we think about the spending of this money, how these processes are run and, ultimately, how the citizens of the United States are best served.

□ 1615

King Solomon said in the Bible that there is nothing new under the sun. Successful businesses, successful service organizations have applied principles for decades that have cut billions and billions in waste. They have improved our ability to compete internationally and made many of our businesses and aid organizations the envy of the world for efficiency and for effectiveness. I might add that these are in the private sector.

I think there are several steps that need to be understood, four key ones in bringing about any rational change to our government. They are simply this: we need to identify, we need to simplify, we need to accelerate, and we need to automate.

To identify means simply that we need to get to reality. We need to understand where these problems are before we can make a decision about what to fix or what to change. As we have seen so many times here in Washington, knee-jerk legislation is often the reaction to a symptom rather than the root cause of our problems. Instead of helping people, it often creates problems that hurt the very ones who are intended to be helped. I believe that the old saying, "The greatest source of inspiration is desperation," needs to be applied in our institutions. We need to get beyond what we think the governing process is, how we think our agencies work and understand how they really work, see what reality is and see those opportunities to take steps out of the process, time out of the process, and resources out of the process. In the end, what it will do is bring about great benefit when we get to that reality.

That means simplifying. Over and over again it has been shown that if we challenge the way we think, if we challenge our assumptions, we can assure, Mr. Speaker, that we are going to spend the people's money more wisely and ultimately can increase service, increase the breadth of service and reduce costs. Our Armed Forces have shown that in the transformation they are undergoing where they are massively multiplying combat power, but keeping the size of the active military the same.

The Navy has shown with its carrier task force that it can actually take a carrier task force out of operation and actually increase the ability to project combat power into a theater of operations.

These principles applied there, applied in business, need to be applied to our agencies that are serving our citizens as well.

Once we identify those improvements, we can accelerate them. Change will speed up. We have seen it applied in the medical arena; we have seen it applied in factories, where processes that took days and weeks can be reduced literally to hours or minutes. It gives back flexibility, it reduces the cost and the overhead that is necessary to serve people, and ultimately provides a better return to the taxpayer.

Finally, once we have achieved that, it is time to automate. So many times, we have spent billions of dollars on projects, system integrations in the government that have failed, that have never been implemented because people never challenge their basic assumptions of why they were doing what they were doing, and they automated inefficient and ineffective processes.

All that did to the agencies was allow them to commit error and increase waste more efficiently, which is an ironic contradiction. We have agencies that do not communicate. In the Immigration and Naturalization Service, for example, nearly 20 information systems do not communicate with each other on the tracking of aliens. This is unbelievable in an age of connectivity when international organizations have real-time information around the world. Major retail distributors can take the purchase of one single item on the other side of the world and have it documented in their system within seconds of that transaction taking place at a cash register.

Likewise, we need to bring about a greater level of connectivity to reduce waste. Another benefit that would come from that is increased security as our agencies are able to share information more effectively. It also reduces error that causes increased costs and also increased anxiety and burden on American citizens who are depending on government services for their lives. I think that in the end we want to increase our capacity to serve our citizens without increasing the amount of money that is being spent. Adding more money will simply add more problems in the long run because we are not dealing with the root causes, Mr. Speaker.

For example, 9 percent of the food stamp allocations or spending on food stamps are incorrect payments. Fundamentally, that is nearly \$3 billion in wasted taxpayer dollars. By having some simple improvement to the process with real-time information systems, off the shelf, used today in the commercial world, we could give that \$3 billion back to the taxpayers whose money it is.

We also speed up the turnaround. In our district as we have inherited a great deal of Social Security claims, there is a great need and a necessity to help our senior citizens, to effectively keep our promise to them. They do not

need to be standing in line or waiting for weeks or months for casework to be completed. Using state-of-the-art technology not only would we save the taxpayer money but we could serve them effectively and nearly immediately.

In closing, nothing is going to change until we learn to see the ground differently. We need to observe opportunities and zero in on them, orient on the thousands and thousands of small opportunities in government to bring about improvement and change. We need to decide that we are going to exercise the will that is necessary to bring about that improvement, and then we need to act energetically, persistently, and patiently. To do otherwise assures one thing, Mr. Speaker, that is, that this problem will grow, that Federal spending will continue to grow, that the waste will continue to grow and eventually strangle the United States Government.

If I were working in my former profession, helping manufacturing companies to compete, I would say that the United States Government, my client now, is sick and is filled with waste that can be taken away with simple principles applied to return to healthy agencies, healthy fiscal status, and ultimately to strengthen our agencies and our ability to serve our citizens in the long run. Little by little, we can see the same kind of effective transformation that our military has gone through, that is coming out of the Cold War era. There is nothing new here, simply applying proven principles that other institutions have applied successfully for decades.

Mr. FRANK of Massachusetts. Mr. Speaker, will the gentlewoman yield?

Ms. FOXX. I yield to the gentleman from Massachusetts.

Mr. FRANK of Massachusetts. I thank the gentlewoman for yielding. I have to say after listening to the gentleman there in that strong condemnation of the current state of the American Government, the Republican Party has been in control of the Presidency, the executive branch and both Houses of Congress for more than 4 years, and yet the gentleman and others have talked in a very condemnatory tone. Are you not being a little hard on yourselves? If, in fact, things are still so bad, what has the Republican Party been doing for the 4 years in which it has been in complete control of the government, not to mention seven of the nine Supreme Court Justices appointed by Republican Presidents?

Ms. FOXX. Let me respond to the gentleman from Massachusetts. The Republicans have worked very hard always at reducing waste, fraud, and abuse at all levels of government. I will give you an example of something that I did. I have only been here for about 6 weeks, but I can tell you that I am already working on looking for ways to reduce spending in the Federal Government, and I can assure you that all Members of the freshmen class are

doing that. As people point out to us over and over and over again, one of the great things about having new people come into government is that you bring in new ideas and fresh ideas and that you work at trying to get these accomplished.

I think that our colleagues who came before us and especially as they have been in charge have shown ways to cut spending and they have done that. We have reduced the Federal deficit last year. We have not cut spending because there has been so much demand for spending. We have a war to fight. The money that is being spent on the war is appropriately being spent, but we are having to overcome 40 years of profligate spending, and we are working very hard to reduce again the waste and inefficiencies in government.

I can assure you that there will be no let-up. As I said, I think that the President has set the tone for this and I think that you are going to see, particularly in this session of Congress, us working hard at making sure that we live up to what the President has said, that we are not going to spend a dime or a dollar of the taxpayers' money unless we can spend it wisely.

Let me give you an example of something that I was able to accomplish and how I challenged my colleagues in the State of North Carolina on my last speech that I made in the North Carolina Senate. I had been contacted by a family and this is a Democratically controlled State, by the way, both at the gubernatorial level and at the legislative level. This family contacted me and said this lady's husband who had retired from the Department of Transportation had passed away. The month he passed away, they got his check. They notified the retirement system. They said, go ahead and cash the check and we will make sure that we show her as the beneficiary. She did not get a check the next month. She did not get a check the next month. She did not get a check the next month. She inquired as to why. Well, she needed to fill out a form. She filled out a form and sent it in, did not get her check, contacted the people, they said, well, you filled out the form wrong, you have to fill it out another way.

They called me on a Sunday afternoon. On a Monday morning, I contacted the retirement system and I said, I want to know why this lady has gone for 4 months and not been able to get her check. They said, we will look into it, and we will get back in touch with you. So by Friday, they got back in touch with me and they said, she will be getting her check at the end of this month. I said, you know, that is not good enough. It is not good enough that you are solving this one problem for this person. What I want to know is, why is the system broken? Tell me what is wrong with your system that would allow this to happen. They promised they would look into it.

About 3 weeks later, I had a visit from the head of the retirement sys-

tem. Actually, he wrote me a letter and then came by to see me and he said, I am so glad that you brought this to my attention. I did not know this, but we have a system whereby three different people had to approve this lady filling out a new form. This is a system already set. She is due the money. She is not asking for something she is not due. She is the inheritor of her husband's retirement. So she is due the money. But in that system there, in the State government, controlled by the Democrats, they had three different people who had to approve something that did not need to be approved at all. By my bringing this to his attention, he changed the system to show that it would not have to be done that way.

I challenged my colleagues in the North Carolina Senate, anytime that someone came to them and complained, to follow the complaint to its source and to make sure that if there was a systemic problem that they changed the system. And I said to them, if all 50 of you once a year could go to the source of the problem and change the system, we pretty soon would be cutting out lots of useless positions, because we cut out, in effect, two positions or the handling by two people of that paperwork.

So what we have to be doing is going into every single system and making sure that we go to the heart of the matter and we solve the problems at the heart of the matter. That, I think, is the way we are going to do that. And I think that you are going to see a renewed effort in this session of the Congress to go to the heart of the matter and make sure that we are solving the waste, fraud, and abuse. We are encouraging citizens to get in touch with us, let us know where there is waste, where there is fraud, where there is abuse, and we ourselves, and I would challenge you and every other Member of the Congress to do the same thing. If you have a constituent who has run into a problem with the Federal Government because they did not get something taken care of at the right time, let us look at that and see where there is waste in systems.

But if you have somebody who tells you that there is waste and fraud, let us go to the heart of that matter and prosecute those people for doing things that are wrong, whether it is on the part of a citizen or whether it is on the part of a Federal official. I think that that is something we all have to do. We take an oath to uphold the Constitution, and I think a part of that is to do everything that we can to promote the principles that we were elected to promote and that is a part of our responsibility.

Mr. DAVIS of Kentucky. If the gentlewoman will yield further, in response to the distinguished gentleman from Massachusetts, the distinguished gentleman has a long and illustrious career of leadership advancing the values of his party. He is widely respected

nationally and certainly in his home State. We have seen ample evidence of that expansion of government service to serve his constituents. I respect the gentleman's contributions to this body and its history.

Yet at the same time, I think that it is important that we set aside partisan rancor. This is not a Democratic problem or a Republican problem. This is an American problem. It is important that bureaucratic agendas be put aside, that party agendas, partisanship and rancor simply moving for control over debate and taking away that time for necessary dialogue be brought into the context of what the American people see us here to do.

I believe that it is important in the remainder of the time that we have before the gentleman speaks that we look at the problems that are being faced today. As you so effectively pointed out in those examples, our citizens on the street have seen over and over again examples of waste, examples of fraud, examples of abuse.

□ 1630

Much of the waste, the majority of that waste, is not ill-intended. We have thousands and thousands of very dedicated civil servants. I have met very few in my entire career of public service, whether in the military or in government, who were not dedicated and committed and worked very hard. Rather, the issue that I was addressing, which the gentleman missed, was the issue of process, processes that have grown up, processes that are not connected, processes that do not communicate effectively. These are not partisan issues. These are simple issues of accelerating the ability to make decisions more effectively and to reduce costs.

I thank the gentlewoman from Colorado for yielding to me.

Ms. FOXX. Mr. Speaker, I appreciate his pointing that out again. That obviously was something that I was trying very hard to point out, was the fact that we are trying to improve the systems, improve the processes. And I want to thank the gentleman from Kentucky for pointing out the fact that most of the employees of the Federal Government, indeed the States and local governments, are very dedicated people who want very much to do their jobs well, and that sometimes what we need to do is lead them in the direction of doing things better than we have been doing them. I know very often we lapse into a way of doing something that may not be the best way of doing it and it just continues that way because nobody has suggested doing it differently.

I think one of the great things that we could do in this Congress and in future Congresses is to go to our employees and ask them to make suggestions on ways that we could save money in the Federal Government and make it operate more efficiently, and I thank the gentleman from Kentucky for re-

mind me that that is something that we obviously ought to be talking about.

We not only want the citizens of this country to help us figure out ways to make the government operate more efficiently and effectively, but there is nobody better qualified to do that than the great employees that we have, because they are there on the front line every day and they understand what needs to be done and how we could do things differently. So I think that if we do have employees who could make suggestions on how we could do this better that we should do it.

I want to point out again that we have places that people can write and call to let us know how they think that we can do things better, especially in the area of waste, fraud, and abuse, and I hope that they will take note of these places and be in touch with us.

PEACE IN THE MIDDLE EAST

The SPEAKER pro tempore (Mr. POE). Under the Speaker's announced policy of January 4, 2005, the gentleman from Massachusetts (Mr. FRANK) is recognized for 60 minutes.

Mr. FRANK of Massachusetts. Mr. Speaker, before I proceed with the subject of my own Special Order, I want to continue the discussion I tried to have and it became kind of one-sided when I was not recognized to continue it.

The gentleman from Kentucky particularly interested me because he objected to my introducing a note of partisanship. But I did not. It was the gentlewoman who had the floor who talked about the Republican way of doing things. When they were talking about it and boasting about the extent to which they were going to end these wasteful practices, they talked about it as a Republican proposal. When I asked why the Republican Party had allowed this apparently to happen for 4 years, suddenly nonpartisanship popped up.

The fact is that the gentlewoman's premise was repeatedly, explicitly, there is a different Republican way. The fact is that the Republican Party has controlled the entire Federal Government since 2001. The gentlewoman said, what about 40 prior years that they had to deal with? I think she is being a little hard on Ronald Reagan. Ronald Reagan, of course, was President for 8 of those years. He never vetoed a spending bill; so apparently he thought the spending levels were appropriate. And it was not just Ronald Reagan, but for 6 of his 8 years, the United States Senate was Republican. Then we had 4 years of George Bush, the father of the current President. So we come back to this: The Republican Party has had very strong control of the entire Federal Government for 4 years and apparently it is still ridden with waste, riddled with abuse, and bloated, because we have these Republicans who just spoke, boasting about how they will change it.

The gentleman from North Carolina did give us a very interesting history of

an incident he was involved in in North Carolina. I now know more about that particular aspect of North Carolina than I had ever expected to, but I do not understand how that in any way explains why after 4 years of Republican control of the White House and the Congress, members of the Republican Party come here to denounce this bloated Federal Government, over which their party has presided over for 4 years and promise to make it better in the future.

I now want to turn to one of the important subjects now facing us, and it is good news. I know people do not often come down here to talk about good news, Mr. Speaker, but I am very optimistic about the Middle East. We have an excellent chance, I believe, if we all work constructively, to end one of the conflicts that has caused considerable anguish and misery and the loss of human life, and that is if we are all constructive, there is a chance. I guess "optimistic" was too optimistic, but I feel better about this prospect than I have in a long time, namely of there being within reach of an agreement between Israel and the Arab world, particularly the Palestinians, that can lead to peace. I want to talk a little bit about that.

Particularly I want to talk about what those of us not directly involved can do, or, more clearly, as I will point out, what we can refrain from doing. Peace will have to be made by the Israelis and the Palestinians themselves.

Two developments recently have made that possible. One, the death of Yasser Arafat. Those of us who have long believed that Yasser Arafat was an obstacle to peace and, in fact, the enemy of the best interests of the people he represented, I think that has been vindicated. People have debated back and forth Arafat's role. I think the fact that we are in one of the best moments we have been in in the history of that troubled area is because, not since, but because of his death. That speaks to the historical record. And I join with people in the Israeli Government in their willingness to recognize the courage and commitment of the President now of the Palestinian Authority, of Mahmoud Abbas, and I share the view that a major difference is that he has succeeded Yasser Arafat.

The other major change has been the evolution of the views of the Prime Minister of Israel, Ariel Sharon. I should say at the outset, if I were an Israeli citizen, I would not vote for Ariel Sharon. I do not think that is too harsh. If Ariel Sharon lived in Massachusetts, I do not think he would vote for me. What we have, however, is a man whose views, from my standpoint, are further to the right than I would like, but who has done an extraordinarily courageous thing in recognizing a central truth, central to the survival in its best form of his own country, central to the prosperity and quality of life of his own country, even