

trade bill, and we're going to try and get it through this year.

REGARDING THE PRESIDENT'S BUDGET PROPOSAL

The SPEAKER pro tempore. The Chair recognizes the gentleman from Indiana (Mr. PENCE) for 3 minutes.

Mr. PENCE. Madam Speaker, I rise today in the midst of an enormous amount of national outrage. I sensed it yesterday when I was in Anderson, Indiana, meeting with my constituents, meeting with small business leaders at a forum. Now much in the media today is focused on the frustration over a large business, specifically AIG, that received tens of billions of dollars in taxpayer money and now has been busy paying bonuses with it to the tune of over \$150 million and has been passing out that money to foreign corporations. That outrage is very real and I agree with it. The American people are tired of bailouts. I voted against the Wall Street bailout last fall, defied a President of my own party, because I simply believe we can't borrow and spend and bail our way back to a growing America. And it seems that much of the public has now come to the conclusion that this notion that we can bail out every failing business in the country is a deeply flawed notion. But I also heard an enormous amount of outrage in my district yesterday about this administration's budget.

The truth is the more the American people look at the President's budget plan, the more they realize that it spends too much, it taxes too much, and it borrows too much, and we have to do better.

I heard yesterday from a constituent by the name of Ted Fiock, who runs and owns Anderson Tool and Engineering Company. He talked about the increasing cost in his business, saying, "The cost burden is just insane right now. We're not doing well. We're struggling. We're in a survival mode right now." You can imagine his frustration and even, I would perceive, outrage when I explained to him that 50 percent of the Americans who will be paying higher taxes under the President's budget are actually small business owners just like him. The President said it would just affect Americans who make more than \$250,000 a year, but according to the most reasonable estimates, more than 50 percent of the Americans that file taxes over that amount are actually small business owners just like Ted filing as individuals. Raising taxes on small businesses, especially during these difficult economic times, is not a prescription for recovery. It's a prescription for economic decline. I also shared with Ted and others the President's plan, the so-called cap-and-trade energy tax. Under the administration's budget, there would be a new energy tax that could cost every household, let alone every business, up to \$3,128 a year for using electricity, driving a car, relying on energy in any way.

The President's budget simply taxes too much. And as I explain the metes and bounds in this budget today, the outrage about AIG's bonuses, the outrage about bailouts has suddenly met its match. I think the more the American people look at this administration's budget, the more they know we can do better, and we must do better. It's time for this Congress to embrace the principles of fiscal restraint and policies that will get America growing again, and Republicans are prepared to bring those ideas forward.

CONGRESSIONAL EARMARKS

The SPEAKER pro tempore. The Chair recognizes the gentleman from Arizona (Mr. FLAKE) for 3 minutes.

Mr. FLAKE. Madam Speaker, a little later today, I will bring another privileged resolution to the floor asking for the Ethics Committee to look into the relationship between earmarks and campaign contributions. This will be the fourth one that has been offered. Each time these have been tabled and we haven't instructed the Ethics Committee to look into this. I hope that that changes.

Several years ago, we had a scandal involving earmarks, the Jack Abramoff scandal. Mr. Abramoff now sits in Federal prison. Some staff members and lobbyists and others also were implicated in that scandal. The leadership at that time was slow to recognize the scandal that was there, and I would say today that the leadership is also slow to recognize what is going on here. There are investigations going on around us. The Department of Justice is investigating—we know this from various press reports—the relationship between earmarks and campaign contributions.

Let me just read a few of the whereas clauses from the resolution that will be introduced later today. This one is a little more specific. The first resolution that was introduced had to do just with earmarks and campaign contributions in general. The second one had to do with earmarks related to the PMA Group. The next one just with earmarks related to the PMA Group for FY09 defense spending. This one has to do specifically with the head of PMA, Mr. Magliocchetti, whom we were told had his home raided by the FBI a while ago. Keep in mind that the PMA Group was a lobbying firm, a powerhouse lobbying firm, that over a period of 8 years collected more than \$100 million in fees from its clients, mostly for seeking earmarks from this Congress. Yet when the news came that the FBI was investigating and had raided the office, that firm, that I believe brought in about \$17 million last year alone in revenue, imploded, within a week. By the end of this month it will be completely gone, dissolved. And when you read some of allegations that are going around in the press, you don't wonder why.

CQ Today reported recently that Mr. Magliocchetti and nine of his rel-

atives—two children, daughter-in-law, current wife, his ex-wife, ex-wife's parents, sister and brother-in-law—provided \$1.5 million in political contributions from 2000 to 2008. Now if you look at some of the occupations listed by some of those who were giving \$100,000 over just a couple of years—school teacher, police sergeant, homemaker—does that not raise somebody's antenna that something might be amiss here?

We can't simply let the Justice Department's investigation dictate what we do here in the House. We should move forward ourselves. We shouldn't say that whether or not you can be indicted or convicted should be the standard that we uphold here in the House to uphold the dignity and decorum of this body. Madam Speaker, this body, this Congress, deserves better than that. That's why I hope that we will actually ask this time the Ethics Committee to investigate this matter.

THE BUDGET TAXES TOO MUCH

The SPEAKER pro tempore. The Chair recognizes the gentlewoman from Tennessee (Mrs. BLACKBURN) for 3½ minutes.

Mrs. BLACKBURN. I thank the Speaker.

Madam Speaker, I rise today to talk a little bit about the budget issues that are before us and about how we are spending too much, we're borrowing too much and we're taxing too much. Recently one of my constituents came up and she had a child in her arms. It was her 6-month-old grandchild. She looked at me and she said, Marsha, you know, it makes me really angry when you all spend money that I haven't made, but when Congress is spending money that this grandbaby has not made, it just absolutely infuriates me. It makes me want to come to Washington and knock on the doors of the Members of Congress and say, What are you doing to this child's future?

Madam Speaker, that is what our constituents are saying when they look at this budget proposal that contains the largest tax increase in history, \$1.4 trillion, over a 10-year period of time. Now some of my constituents have said, where do they get this money? Where does this come from and what are they taxing to come up with \$1.4 trillion? Well, I want to talk a second about the cap-and-tax proposal that the President and the administration has brought forward. I want to use a quote that the President made in an editorial board with the San Francisco Chronicle in January 2008. It said under my plan of a cap-and-trade system, electricity rates would necessarily skyrocket. That will cost money. That will pass the money on to consumers.

That was in January 2008. What we see is, yes, electricity rates will go up. Every time an individual flips on a light switch, every time they punch the brew button on their coffee maker, every time they turn on their computer, it is going to cost them more

money, every single time, to the tune of \$3,128 per family per year. That is what we are beginning to see. This is going to increase your cost of doing business in your home every single day of living, that maintenance of life that we all go through.

We're very concerned about this part of the proposal, the cap-and-tax. It is part of the \$1.4 trillion increase.

With that, Madam Speaker, I yield back my time, and I thank you for yielding the time.

RECESS

The SPEAKER pro tempore. Pursuant to clause 12(a) of rule I, the Chair declares the House in recess until noon today.

Accordingly (at 11 o'clock and 14 minutes a.m.), the House stood in recess until noon.

□ 1200

AFTER RECESS

The recess having expired, the House was called to order by the Speaker pro tempore (Mr. BLUMENAUER) at noon.

PRAYER

The Chaplain, the Reverend Daniel P. Coughlin, offered the following prayer:

Lord God Almighty, Creator of all things great and small, the ancient Celtic people took such joy in nature's secrets as well as its beauty. They found Your presence in every spring, every lake, forest and glen. Each was a sanctuary where prayer came easily, and the poetry of creation became a spark of Your own Divine light.

Be with Congress today. Bless its aspirations and its work. Be close to this Nation, and intimately present to its people.

In the midst of anxieties, busy work, and grave responsibilities, grant them a moment to be touched by Your glorious creation so they, too, find praise on their lips and joy in their hearts for another day, and a sense of Your eternal goodness.

Amen.

THE JOURNAL

The SPEAKER pro tempore. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Pursuant to clause 1, rule I, the Journal stands approved.

PLEDGE OF ALLEGIANCE

The SPEAKER pro tempore. Will the gentleman from Georgia (Mr. KINGSTON) come forward and lead the House in the Pledge of Allegiance.

Mr. KINGSTON led the Pledge of Allegiance as follows:

I pledge allegiance to the Flag of the United States of America, and to the Repub-

lic for which it stands, one nation under God, indivisible, with liberty and justice for all.

CONCERNS OVER AIG BONUSES

(Mr. BUTTERFIELD asked and was given permission to address the House for 1 minute.)

Mr. BUTTERFIELD. Mr. Speaker, like most Americans, I am deeply outraged this morning that while millions of people suffer through this difficult economy, AIG executives are seeking to take \$165 million in bonus pay. The scope and depth of this waste and greed are just shocking and unjustifiable. It is beyond my imagination that they would do that.

Mr. Speaker, I represent a district in North Carolina where the median household income is just a little bit more than \$30,000 per year. These Americans must work extremely hard every day just to meet their obligations.

It is patently unfair that hard-working Americans could be asked to work harder to pay more taxes that are needed simply to provide AIG executives with multimillion-dollar bonuses. It is patently unfair.

I encourage this body and President Barack Obama to take every avenue possible to stop these bonuses or, if they are legally unstoppable, to tax them beyond belief.

NOTICE OF INTENTION TO OFFER RESOLUTION RAISING A QUESTION OF THE PRIVILEGES OF THE HOUSE

Mr. FLAKE. Mr. Speaker, pursuant to clause 2(a)(1) of rule IX, I hereby notify the House of my intention to offer a resolution as a question of the privileges of the House.

The form of my resolution is as follows:

Whereas, Mr. Paul Magliocchetti, a former Appropriations Committee staffer, founded a prominent lobbying firm specializing in obtaining defense earmarks for its clients and whose offices—along with the home of the founder—were recently raided by the FBI.

Whereas, the lobbying firm has shuttered its political action committee and is scheduled to cease operations at the end of the month but, according to the New York Times, "not before leaving a detailed blueprint of how the political money churn works in Congress" and amid multiple press reports that its founder is the focus of a Justice Department investigation. (The New York Times, February 20, 2009)

Whereas, CQ Today noted that the firm has "charged \$107 million in lobbying fees from 2000 through 2008" and estimates of political giving by the raided firm have varied in the press, with The Hill reporting that the firm has given \$3.4 million to no less than 284 members of Congress. (CQ Today, March 12, 2009; The Hill, March 4, 2009)

Whereas, The Hill reported that Mr. Magliocchetti is "under investigation for [the firm's] campaign donations," the Washington Post highlighted the fact that federal investigators are "focused on allegations" that he "may have reimbursed some of his staff to cover contributions made in their names . . ." and the New York Times noted

that federal prosecutors are "looking into the possibility" that he "may have funneled bogus campaign contributions" to members of Congress. (The Hill, February 20, 2009; The Washington Post, February 14, 2009; The New York Times, February 11, 2009)

Whereas, Roll Call reported on "the suspicious pattern of giving established by two Floridians who joined [the firm's] board of directors in 2006" and who, with "no previous political profile . . . made more than \$160,000 in campaign contributions over a three-year period" and "generally contributed the same amount to the same candidate on the same days." (Roll Call, February 20, 2009)

Whereas, The Hill also reported that "the embattled defense lobbyist who led the FBI-raided [firm] has entered into a Florida-based business with two associates whose political donations have come into question" and is listed in corporate records as being an executive with them in a restaurant business. (The Hill, February 17, 2009)

Whereas, Roll Call also reported that it had located tens of thousands of dollars of donations linked to the firm that "are improperly reported in the FEC database." (Roll Call, February 20, 2009)

Whereas, CQ Today recently reported that Mr. Magliocchetti and "nine of his relatives—two children, his daughter-in-law, his current wife, his ex-wife and his ex-wife's parents, sister, and brother-in-law" provided "\$1.5 million in political contributions from 2000 through 2008 as the lobbyist's now-embattled firm helped clients win billions of dollars in federal contracts," with the majority of the family members contributing in excess of \$100,000 in that timeframe. (CQ Today, March 12, 2009)

Whereas, CQ Today also noted that "all but one of the family members were recorded as working for [the firm] in campaign finance reports, and most also were listed as having other employers" and with other occupations such as assistant ticket director for a Class A baseball team, a school teacher, a police sergeant, and a homemaker. (CQ Today, March 12, 2009)

Whereas, in addition to reports of allegations related to reimbursing employees and the concerning patterns of contributions of business associates and board members, ABC News reported that some former clients of the firm "have complained of being pressured by [the firm's] lobbyists to write checks for politicians they either had no interest in or openly opposed." (ABC News The Blotter, March 4, 2009)

Whereas, Roll Call has taken note of the timing of contributions from employees of Mr. Magliocchetti's firm and its clients when it reported that they "have provided thousands of dollars worth of campaign contributions to key Members in close proximity to legislative activity, such as the deadline for earmark request letters or passage of a spending bill." (Roll Call, March 3, 2009)

Whereas, reports of the firm's success in obtaining earmarks for their clients are widespread, with CQ Today reporting that "104 House members got earmarks for projects sought by [clients of the firm] in the 2008 defense appropriations bills," and that 87 percent of this bipartisan group of Members received campaign contributions from the raided firm. (CQ Today, February 19, 2009)

Whereas, clients of Mr. Magliocchetti's firm received at least three hundred million dollars worth of earmarks in fiscal year 2009 appropriations legislation, including several that were approved even after news of the FBI raid and Justice Department investigation into the firm and its founder was well known.

Whereas, the Chicago Tribune noted that the ties between a senior House Appropriations Committee member and Mr.