had to finish last year's bill. That was no fault of Mr. DICKS. He worked hard as chairman last year to produce another very good bipartisan bill, cooperating totally with us on the minority side, the minority at that time. But we didn't get that bill to the floor. I wish that we had, but it didn't quite make it.

So this year we finished the work for FY 2011, and now this is the bill for FY 2012. Again, it is a strong, bipartisan, no-politics good defense bill. But in order to get to this point, to get where we are, required tremendous dedication on the part of all of the members of the subcommittee, as well and very specifically as well as the staff. The professional staff of our Defense Subcommittee is very, very special and works extremely hard. I would like to call attention to that staff.

On the minority side, Paul Juola, who also worked on the majority side at one point, and Becky Leggieri. On the majority staff, Brooke Boyer, Walter Hearne, Jennifer Miller, Tim Prince, Adrienne Ramsay, Ann Reese, Megan Rosenbusch, Paul Terry, B.G. Wright, Sherry Young, and the chief of staff, Tom McLemore.

They have done a tremendous job. I know that oftentimes when the House finished its business and Members would retire to their respective homes, staff stayed and they did the analysis that had to be done to achieve the savings that we achieved, but also to make sure that we accomplished what had to be accomplished to provide for our troops, to provide for their welfare, to provide for the readiness of the Nation.

□ 1840

I said in my opening remarks there were other items, other things, other parts of this bill that I would like to have increased. I would like to have been able to increase the pay raise that goes to our military. The money just wasn't there. But we did insist on funding the full 1.6 percent, which doesn't sound like a lot. At least it's not a reduction.

Mr. Chairman, this is a good bill. We're not going to vote on this bill tonight. We will read this bill—it's my understanding now from leadership—for amendment under the 5-minute rule the week after next and we'll be prepared to, again, in a bipartisan way, deal with any issues that might come up at that time.

I yield back the balance of my time.

The CHAIR. All time for general debate has expired.

Mr. YOUNG of Florida. Mr. Chairman, I move that the Committee do now rise.

The motion was agreed to.

Accordingly, the Committee rose; and the Speaker pro tempore (Mr. GRIFFITH of Virginia) having assumed the chair, Mr. WESTMORELAND, Chair of the Committee of the Whole House on the state of the Union, reported that that Committee, having had under consideration the bill (H.R. 2219) making appropriations for the Department of Defense for the fiscal year ending September 30, 2012, and for other purposes, had come to no resolution thereon.

TEXAS TORT REFORM

(Mr. OLSON asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. OLSON. Mr. Speaker, our Nation's medical liability system is broken. It has put limits on patient access to health care and has increased costs. But since 2003, my home State of Texas has been a leader on medical liability reform. As a result of tort reform, from 2003 to 2009, Texas has seen an increase of roughly 60 percent in new physician licensure applications. And since 2003, Texas had 21,640 new physicians licensed. That means more doctors to treat patients—especially in rural areas with limited access to health care. All major physician liability carriers in Texas have cut their rates, giving Texas doctors affordable premiums and allowing them to focus on quality of care.

Texas is a model for tort reform for the Nation. I urge the Congress to adopt a similar policy to increase patient access to care and save our Nation billions in defensive medicine costs.

HANDS OFF MEDICARE

The SPEAKER pro tempore. Under the Speaker's announced policy of January 5, 2011, the gentleman from New York (Mr. TONKO) is recognized for 60 minutes as the designee of the minority leader.

Mr. TONKO. This evening I will be joined by my colleague from California, Representative GARAMENDI. He and I will discuss for this next hour the issue that deals with a program that is tremendously popular in this country, that deals with our senior population as they have the resources through a program dubbed ''Medicare'' that enables them to enjoy with dignity their senior years and to be able to have the security of knowing that there is affordability and accessibility for their health care needs. Obviously, as our senior population continues to grow and the longevity curve continues to climb upward, our senior population has reminded us that their dignity and their quality of life has been addressed in a very strong way as the calculated curve for life expectancy continues to mount, which is a positive force in the lives of all Americans.

The efforts that we see afloat in this House at this Capitol range across a number of cuts and reforms that people are proposing for the future budget for this country. There is this Ryan Roadmap which has been developed and dubbed the ''path to prosperity'' by the author and by the Republican majority in the House. However, many of us have seen it for its true value and its attempts to end Medicare, so much so that we have dubbed it the ''road to ruin,'' a situation that would undo a Medicare program, and it is why signs such as this next to me here would greet many of us when we arrive in our district for district work period or on weekends as we break from session here in the House of Representatives: ''Hands off my Medicare.'' It's very bold, it's very straightforward, and it's very understood. The message is real, and it has reached us because it talks about an attempt here to end Medicare in this House. It would force seniors to find their own insurance in the private market. They would be asked to shop with a coupon in hand. The money that the government would kick in for coverage, part of that coupon would not nearly keep pace with the actual costs—the costs that seniors would be forced to pay.

Of course, as 32 cents—which has been the on-average expectation of the coupon—for every $1 of premium costs would be the outcome, that means that the risk would shift from our senior population to have them dig into their pockets, and the risk would be removed from government and placed in the hands of seniors. It would take away what is a stable, dependable system and put a profit-driven insurance arena of companies in charge of rationing care for our seniors.

This is a very unacceptable outcome, Representative GARAMENDI, and I'm glad that you have joined us this evening in this Special Order, where we'll focus on the Ryan Roadmap and what it really means, what it calculates to do, and the impact it has on so many elements of the population out there. And thank you, Representative GARAMENDI, for joining us this evening as we talk about this attempt to end Medicare and shift the risk from government to seniors.

Mr. GARAMENDI. Representative TONKO, thank you so very much for the opportunity to join you this evening on this critical issue. We often call this the Ryan Roadmap, but it really is the Republican budget proposal. It's not only the chairman of the budget committee that put this out, but every Republican in this House voted for it. So they really have adopted this as their roadmap, as their solution to the problems that face this Nation.

□ 1850

You spoke very eloquently about the way in which this proposal would change who pays and how it's going to be paid for. It shifts the burden away from all of us. It shifts the burden onto individual seniors.

One of the things that I found very interesting was: How much does it cost an individual senior?

Now, recognize that those who are seniors today also suffer. It's not just those who will become seniors but those who are seniors today, and I'll

come back to that during this discussion because that's a very, very important part. Our Republican friends have often said this doesn't affect anyone on Medicare. Well, the Medicare portion doesn't, but the Medicaid does because it does cut Medicaid. We'll come back to that. What I want to focus on is the shift of responsibility here and what it's going to cost an individual.

If you are not yet 55, then you're going to be in a system that is not Medicare. As you say, it's a voucher program. It's a program in which the government will give you a voucher, a ticket, and say, ''Go buy your insurance.'' What's going to make up the balance? The individual is going to make up the balance, and this little chart lays it out pretty clearly.

If you're 55, then you'd better start finding $182,000 right now because, when you become 65 and go on the non-Medicare program, you're going to have to come up with $182,000 in order to be able to buy the insurance that you need. Similarly, if you're 50, you're going to have to have $231,900 in order to be able to purchase the private insurance coverage. It goes on. If you're 40, you'll need $343,800. So you've got to put that money away because, when you become 65 and the Medicare is not there for you, you'll be having to make up the difference.

The bottom line on all of this is—I love this one. I think you'll recognize it, Mr. TONKO. We used this some time ago. It's the tombstone. ''Medicare, 1965–2011, Created by LBJ, Destroyed by GOP?''

They are destroying Medicare.

Medicare is a program that has been around since 1965. It guarantees that every individual in America who has turned 65 will have this health insurance policy—a policy that guarantees them benefits, doctors' visits, hospital visits, and under the new Affordable Health Care Act, an expansion of services, a whole series of preventative services available without cost to seniors. It actually saves us money. It's very, very interesting that if you spend money up front for prevention, as we do in the Affordable Health Care Act, which, incidentally, every Republican voted against and voted to repeal, that benefit that goes to seniors free saves taxpayers money and keeps seniors healthy.

Mr. TONKO. You point out the line in the sand drawn for 55 and over and 55 and under and that there is a different treatment. People would try to suggest, if you're 65, say, and you're qualifying for Medicare, if you go forward, the folks below 55 will never join the system, and that will cause fluctuations in the crowd that's 65 and over today. As that happens, as they grow older and as the life expectancy keeps strengthening and going north, not south, there is no replenishing of the younger eligible Medicare community. As you climb the age chart, the correlation with health care and your need for services rises. So the younger element within the Medicare eligible community was, I think, providing stability in the fund. I think it disrupts even the actuarial outcome of that universe as you no longer allow the entry of new populations with time.

Mr. GARAMENDI. That's absolutely true.

I was the insurance commissioner in California for 8 years. Actually, that's the way insurance works. It's a large pool, all of whom share the risk. If your risk pool, as you just described it, becomes older and older——

Mr. TONKO. With no younger seniors coming in.

Mr. GARAMENDI. Exactly.

Suddenly, you've got a very, very expensive pool.

Mr. TONKO. Right.

Mr. GARAMENDI. Now, on the other hand, the very same thing occurs on the private insurance side.

On the private insurance side, we're going to see in the Republican budget plan, the Ryan plan, a whole population of people who have become 65 who are no longer eligible for Medicare. Now they're going into the insurance sector, the private insurance sector.

Mr. TONKO. A community for whom we have not done insurance writing. The actuarial science has not been applied. We've had 45 years of reprieve.

Mr. GARAMENDI. Exactly. So will the insurance companies want to see those people? No, they won't because those people are now 65. They're at an age where they're going to have higher medical expenses.

You're asking the private insurance companies to take this whole new population of older, more expensive people into their private insurance companies, into that pool, the result of which is that private insurance company's pool will become more expensive. They know those people who are now 65 in the private insurance pool are going to get ill, that they're going to be more expensive, and so their doors are going to be subtly slammed shut. As to the availability, while presumably guaranteed by law, advertising won't be there, and the insurance agents won't be there to serve that population, and there is going to be all kinds of not-so-subtle discrimination, making it not only expensive for the individual but difficult to get quality insurance. In fact, there is no guarantee about the benefits in the Republican proposal.

Mr. TONKO. Right. If you'll suffer an interruption here and allow me to just share what, I think, both of us have talked about, people at home, because this is such a drastic proposal, can't believe that it's a real proposal. We have to remind people it is very much alive and it has legs, so much so today that the majority leader of the House, who was at the Vice President BIDEN table for negotiations on the debt ceiling bill today, walked, along with a Republican Senator spokesperson for that House, for their conference, the Republican Conference. They dropped out of the talks today simply because they want certain revenues at that negotiating table to be exempt, or certain proposals.

So we're saying, look, this has to be a bipartisan approach that has a tender balance here: that you cannot drop out of that balance certain impacts to the economy, like $800 billion worth, which is the price tag for the wealthy in this country, where they want that dollar amount to be absolutely cast in stone.

Mr. GARAMENDI. Let me see if I understand.

What you're saying is that, in the negotiations, the Republicans are saying they are willing to cut services to seniors—Medicare. We also know that there is a proposal by Mr. SESSIONS, a Republican, to terminate Social Security. So they want to reduce the benefits to seniors or even the availability of the programs to seniors, but they don't want any new taxes on the super wealthy.

Mr. TONKO. Exactly.

We're saying as Democrats in the House and as Democrats on the Hill what must be on the table. We need to have on the table discussions about oil breaks, which trace their roots over a hundred years' worth of policy decisions. Tax breaks for the wealthiest 2 percent of Americans must be on the table. These are the important things. Big Oil profits, which are historically the largest, are the reason, in order to afford those sorts of handouts and wealthy tax cuts, they need to carve into a program like Medicare. It's in order to make it all balance. So we're saying no, no, no, that these things must be on the table.

Mr. GARAMENDI. All that we do here is make choices. All of these laws are choices about solving this international problem. Do we want to solve it this way or that way? It's about choices. This issue of how we're going to deal with the budget and the budget deficit is about choices.

The Republicans have made a very clear choice. They are deciding that their choice is to reduce the benefits to seniors—Medicare, Medicaid benefits, an almost $900 billion cut in the Medicare program that provides support for seniors who are in nursing homes—and to terminate Medicare so that you're forced into a private insurance market. That's the choice that they've made rather than to go and get our money back from Big Oil.

□ 1900

Choices, they have refused both here on the floor, refused to take back the subsidies that were given to the big oil companies, I suppose arguing that somehow these oil companies are hurting, that they're not profitable. Well, not so.

Just take a look here just this last year. ExxonMobil saw a 69 percent increase in their profits, $10.7 billion profit; Oxy, 46 percent, $1.6 billion; Conoco, 43 percent increase, $2.1 billion; Chevron, 36 percent, $6.2 billion; BP, 16 percent increase, $7.2 billion.

Oh, by the way, you know who's billion dollars those are? Those are the folks that buy gasoline and diesel at the pumps. That's money right out of the pockets of consumers, and, in addition, they get billions of dollars of our tax money that you and I pay in addition to the gasoline tax. They get that for additional profit.

It is wrong. It's about choices. The Republicans have made a very clear choice here: take away from the seniors, take away their Medicare, and make sure that the oil companies continue to receive their subsidies.

Mr. TONKO. You know, you talk about choices, and the choices are do we continue Medicare—and obviously the Democrats in the House want to improve, they want to strengthen Medicare, not deny it, not end it—make it more stable, make it an even stronger program. There's a choice. Their choice would be to have tax earmarks for what sort of things? For corporate jets, for golf bags, for snow globes. These are the choices. And beyond choice, there are contrasts.

Now, this chart here somewhat incorporates what you're talking about there with Big Oil. We have $131 billion that is given away yearly to Big Oil and millionaires, handouts, tax cuts.

Mr. GARAMENDI. How much?

Mr. TONKO. $131 billion.

Mr. GARAMENDI. A year?

Mr. TONKO. Yes. Contrasted with the $165 billion that are yearly cuts to Medicare. So it's almost an equal swap. And we see that you need to end Medicare in order to provide for the wealthy tax cuts for millionaires and billionaires and handouts, mindless handouts to oil companies sitting on historic record profits. This year alone, in the first quarter, we're at about $36 billion in profits.

So why, if we'd done just this mindlessly for nearly a century's worth, why would we continue that and put at risk a program that will be celebrating its 45th anniversary in a few days? Why would we do that when the quality of life for the many, many, the many in the masses of Medicare eligibility are being put at risk for the far fewer who are going to get the millionaire, billionaire tax cuts and the oil handouts?

Mr. GARAMENDI. It's about choices. It's about where do you stand. Do you stand with the seniors and Medicare and the continuation of Medicare and the benefits that they need literally to survive or do you stand with the Big Oil companies? It's very, very clear.

Just look at the way the votes come down here on this House floor. Over the last 5 months, we've seen vote after vote after vote where the Democrats have suggested that we eliminate these subsidies, all of them, the subsidy to Big Oil, that we install the higher income tax for the superwealthy. We're not talking about the working stiff out there in the plant. We're talking about the superwealthy, those that have an adjusted gross income—that's after all of the deductions—of over $250,000. Take it to a million. But just raise their tax rate on that upper income above $250,000 3 percent, not talking about a huge increase, a 3 percent increase, and yet our Republican friends say, oh, no, we can't do that. We have to whack the elderly. We've got to go after the elderly. We've got to take away their Medicare benefits.

This is unconscionable. It is terrible economic policy. It is unconscionable that anyone would make such a choice—give the wealthy more; take it away from the seniors. What would lead a person to do that?

Mr. TONKO. Not only do they talk about these choices over and above the senior community, but they've made it clear that their negotiations at the table begin and end with this destruction of Medicare while protecting subsidies for Big Oil and to include the tax breaks for millionaires. That, you know, is very clear. That is the directive. That is part of a line drawn in the sand on negotiations, which makes it very difficult, because what it tells us is that they're willing to put at risk the full faith and credit of these United States on the line.

And we know we have just struggled to crawl out of a situation, a recession that's found 8.2 million jobs lost in America. We're just climbing that hill to recovery, and they're willing to put the full faith and credit of the United States at risk and perhaps, most likely, cause a new economic calamity.

Mr. GARAMENDI. We often talk about this, and what you're referring to is the deficit reduction negotiations that are going on between the Vice President and the leadership of the House and the Senate, and that's good. Negotiations have to take place. But in the negotiation, it's very clear where the two parties come down. You've described it so very, very well that in those negotiations, it appears as though our Republican colleagues are willing to put the full faith and credit of the United States—this is our worthiness, our financial worthiness as a Nation—on the line so that they can cut benefits to seniors, so that they can cut programs that provide food for pregnant women and children, so that they can make cuts in the school lunch programs, so that they can make cuts in the infrastructure, in the education programs that keep this country moving forward, in exchange for no taxes on the wealthy. They're willing to put this entire Nation's financial strength at risk so that they can reward the superwealthy in this country.

Mr. TONKO. And if someone could at least rationalize the benefit of that program, if they could at least quantify good, societal good that comes with that sort of thinking. In recent history, twice over in recent history we've witnessed that relief, that that top income strata has not caused and inspired a trickle down that produced jobs, that enabled people to see investments made in an economic recovery. In fact, the reverse was true. We saw what happened. They reduced these taxes for millionaires and billionaires, 8.2 million jobs lost, and the American economy brought to its knees, when in fact, now, the people have said, look, our top priority is jobs. We heard it. All of us that serve in this wonderful Chamber heard it in the last election of November of 2010. It couldn't have resonated more boldly, more clearly. It's about jobs. It's about growing the economy.

Stop shrinking the middle class. Start growing the economy. That was the directive, and so what they wanted was to make certain that we would allow for dignity to continue, that health care costs would be contained. As we did the reforms to health care, we included improvements for Medicare. They wanted that Medicare program to continue. And when you listen to the American public out there—and we'll talk about this in a minute—the polling, most recent, today that was released indicates there is strong support for continuing Medicare. They support strengthening Medicare, and they have denounced this attempt to bring an end to Medicare. They are angry about it, not just for their generation. And I'm saying ''they'' as seniors. They are concerned because they want their children and grandchildren to enjoy that same order of security that has served them so well with their health care needs.

Mr. GARAMENDI. How well you've said it, Representative TONKO. The choices are very, very clear. We do have a deficit problem, and you and I should spend some time talking about how we got into that in the first place and how we can get out of it.

But to put this Nation's financial strength on the table and say, as Republicans are, they are willing to let this Nation go into default on its obligations, first time ever, and if that were to happen, it would kick off another financial crisis around the world because the rest of the world depends upon the willingness of the United States to pay its debts, because that's the security in the banks around the world.

□ 1910

And if the United States isn't willing to do that, suddenly, this Nation's going to be in deep trouble, and the world economy along with it. And guess what? It's going to cost us a lot of money because the interest rates will go up. If the United States isn't trustworthy, it's risky; therefore, you have to pay higher interest.

So we need to understand that this is a default crisis. It's not the debt ceiling. It is a default crisis that we're facing. And to use it as a lever to harm seniors is unconscionable. But yet that's what they're doing as they continue to call for cuts in Medicare and the Medicare program. We shouldn't let it happen.

We do have—well, before we go there, I keep coming back to this. In 1965, the

United States decided that we were going to end poverty among the seniors. The seniors were the most impoverished part of the American population. And added to the Social Security program was a health insurance program called Medicare, an extraordinary expression of the American compassion, an extraordinary expression of the American desire to take care of their parents and to provide the necessary health care services. Here we are in 2011 with a proposal by the Republican Party to terminate Medicare. How can it be? How could we have come to this? And to say that it's the deficit that's causing this to happen is, I think, wrong.

Before we turn to the deficit, I just think that we—you and I have talked about this, Representative TONKO, and we should cover it. We've talked about it a little bit. We know that the cost of Medicare is going up. And it is something that is of concern to you and me and, I think, to everybody in this Nation. But Medicare costs go up along with the total inflation in health care. It's the whole health care system that goes up, and Medicare rides along in that inflation. It is not the cause of the inflation. There are many other causes of the inflation in health care.

In order to deal with the cost to Medicare, you don't destroy Medicare and throw Medicare into the insurance market. What you have to do is to control the underlying costs of health care. There are some things that you can actually do in Medicare.

For example, Medicare part D, which is the pharmaceutical portion of Medicare, passed by the Republican Congress in 2003 without any way to pay for it, all borrowed money. Well, okay. So much for the Republicans' desire to pay as you go. But it was all borrowed money. And into the law the Republicans wrote a provision that prohibited the Federal Government from negotiating drug prices. The Federal Government is a price taker. Whatever the drug companies want to charge, the Federal Government has to pay. We could save tens, hundreds of billions of dollars over 10 years by simply allowing the Federal Government to negotiate the prices of drugs for seniors.

Mr. TONKO. And you know, you are so right. That preclusion that came in that measure was an outright avoidance of providing a benefit to the senior community. I know the number because we talked about it today in another session. It's $156 billion that could be saved over that 10-year stretch just by bulk purchasing the pharmaceutical needs for the Medicare program.

Mr. GARAMENDI. But the Republicans wouldn't allow it.

Mr. TONKO. Exactly.

And it's not just a savings to the government, but it's also a savings of $27 billion to individual seniors. So right there is an opportunity to provide for stability and to rein in costs within the Medicare program. But it takes the sort of compassion and the determination and the outright leadership to make certain that we make it stronger. What they've said today—I was in a hearing on the Budget Committee—is that, well, look, the way we're going to do this is sharpen the pencil. There is going to be this competition, and everyone's going to fight to serve the senior citizen for her or his health care needs. With the market taking over, they're going to drive down the costs and provide the benefits.

Since Medicare was initiated, the private sector premium costs have risen by 5,000 percent. Medicare is far below that curve. There isn't that marketing program. There isn't that administrative overcharge that really has driven these prices to go out of sight. And what we have here is an attempt to put the insurance company into the driver's seat.

Mr. GARAMENDI. Well, as the insurance commissioner in California for 8 years, let me just pick that issue up.

The insurance companies are extraordinarily inefficient compared to Medicare. I know that a lot of people think that government is inefficient. It is not the case in Medicare. Medicare collects the money and distributes, pays the bills for about 3 percent of the cost. The private insurance companies are about 30 percent.

Now, on the other end, you've got the cost of administration. It may be another 7, 8 percent administrative costs for the doctors and hospitals for Medicare. But on the private insurance side, because there are so many different policies, so many different forms, so many different coverages—this is covered, that's not covered; this is exempted; this is the copay for this and a different copay for that—it is utter chaos for the provider. So about 15 percent of that 30 percent, about half of that 30 percent is administrative costs and commissions and sales and advertising on the part of the insurance companies, and the other 15 percent is the administrative costs on the part of the providers, the hospitals and doctors.

It is absolutely the most inefficient way to deliver medical services and to pay for them. Medicare is one-half the administrative cost both for the provider as well as for the collection and the payment of the bills.

Mr. TONKO. And I think it's probably what underlies the thinking of Americans out there, because when they were polled just recently with the poll that was shared with people today, there is overwhelming opposition to the GOP plan to end Medicare. So much so that in that effort by the GOP to convert Medicare to a voucher system, 57-plus percent said ''no'' to that idea. And when you look at independent voters out there as a separate bloc of measurement, it closes into 60 percent, at 58-point-some percent.

So people are saying overwhelmingly, We do not want to convert this into a voucher system, where you get 32 cents on every dollar that you need. And they're saying very clearly: Hands off my Medicare. The message couldn't be clearer: Hands off my Medicare.

Mr. GARAMENDI. I want to pick up one more issue. I know my Republican friends over here are constantly saying, oh, but in the Affordable Health Care Act you took $500 billion out of Medicare. Let's understand what that's all about.

In 2003, in that program, the Medicare part D program, two programs were actually put in place. One was the drug benefit. Another is what is called Medicare Advantage. This is the supplemental program for Medicare. The Medicare Advantage program, when it was put in, to entice the insurance companies, the private insurance companies to participate, they were given a 16 percent bonus over and above their cost. So for 8 years or 7 years, they enjoyed a built-in additional profit of some 16 percent, which——

Mr. TONKO. Just to get the concept up and running.

Mr. GARAMENDI. Just to get it up and going.

And they continued to receive that additional 16 percent, additional profit, guaranteed profit. When we did the Affordable Health Care Act, we said, Wait a minute. They don't need that any longer. The program is up. It's going. The advertising and everything else is in place, the administrative system. So we want to take back that additional profit given to the insurance companies.

That's where the $500 billion is over a 10-year period. That's money that was saved by creating an efficiency and, once again, ending an unnecessary supplement. It did not in any way, shape, or form change any of the benefits that seniors received in the Affordable Health Care Act. There was a sentence. It said, ''No benefit changes,'' period.

Mr. TONKO. Right.

And where we saw overpayment for services provided, where there was unnecessary profit accrued in certain areas, we said enough is enough. The taxpayers shouldn't pay for adding to the profit column beyond reason for those private sector types that said they can do it cheaper, which was the claim. We can do it cheaper. Let us have this Medicare Advantage model, and we will show you how we can provide benefits. It didn't require such vast overpayment.

□ 1920

Mr. GARAMENDI. No more subsidies.

Now that I'm on a roll, in that Affordable Care Act, there was additional money for the Internal Revenue Service, the IRS, specifically to go after Medicare fraud. We know it's a problem. In the previous years, the Republican budgets reduced the effort of the Medicare program to go after fraud. So we put money into the Affordable Health Care Act to go after fraud. Guess what happened when the Republicans came to power. They eliminated

the money that the IRS needed to add additional agents to go after Medicare fraud.

Mr. TONKO. Right.

Mr. GARAMENDI. What's that all about?

Mr. TONKO. In situations where we found recently—and there was an article in a major paper, The New York Times, that reported that there were CT chest scans done two times over at many locations where they were recovering those dollars through Medicare and found that to cost some $25 million worth of waste, of fraud in the system. Now, that's just one small example of one small bit of opportunity and activity in the health care field.

Think of it. If you have the agents, as you suggested, and if they are funded in a way that produces dollars of savings simply by having the infrastructure, the human infrastructure, to go out and chase this fraud down, we can then benefit. There are systems here that we developed that have the checks and balances, that have the bells and whistles, that have the preventative element. Even the efforts that we made in the Affordable Care Act to not require copayments or deductibles for any of the screenings and the annual checkups for our seniors—wonderful concepts to, again, contain the costs of health care within the Medicare model, which we thought was a wonderful thing to do.

And you're right, there's no move here. When you end Medicare and make no adjustments and just hand it over to the private sector and say, Keep on your trend of being much more expensive than Medicare and go out there and sharpen the pencil, without changes that they want to induce into the program, nothing changes; but the cost increases for the seniors.

Mr. GARAMENDI. So if you're looking at the deficit and dealing with the deficit, you don't have to destroy Medicare to save money. In fact, it will cost us more money, not directly in taxes but out of the individual pocket. No doubt about it.

The other thing is that there are many, many ways to bring down the cost of health care. Many of those are in the Affordable Care Act, which our Republican friends want to repeal. And let me just go through them:

There's the end of the subsidies for the insurance companies, which we just talked about. There's the money for the IRS agents to go after fraud. There is in the legislation a provision that says that hospitals will not be paid for reinfections. One of the most expensive things in the hospital system is when a patient gets an infection in a hospital and comes back into the hospital. These are very, very simple things called ''cleanliness'' and ''hygiene'' at the hospital to bring down the infection rate. And in the Affordable Care Act, it said, no, no, if there's a reinfection in the hospital, we're not going to pay you a second time around, forcing the hospitals to keep it clean.

Electronic medical records, eliminated or attempted to be eliminated by the Republicans. All of these things are good for health. The preventative care.

Mr. TONKO. And the annual checkups. Don't forget those. And just undoing the requirement for copayment or deductibles for those screenings and annual checkups. There was this compassionate, reasonable, thoughtful approach to contain costs, provide for the continuation of a program that has grown immensely valuable in the lives and the fabric of our senior community.

And you know what's interesting too? This ''hands off my Medicare'' is not just resonating with today's seniors. In the recent poll that I just cited, 61 percent of those age 35, Representative GARAMENDI, and older and 63 percent of those age 55 and older said they would be worse off under this GOP plan. Worse off. So the more people check this out, all age groups—under 55, under 35, over 65—are all saying, Hands off my Medicare. It's no wonder that the message has been resoundingly delivered throughout this country, no matter what region. You're on the west coast. I'm on the east coast. We're hearing it from coast to coast.

Mr. GARAMENDI. And everything in between, Hands off my Medicare, Hands off my children's Medicare.

However, we're saying that. The public is saying that. Democrats say we will not give an inch on Medicare. We will control the cost within the total health care system, but we will not allow the destruction of Medicare. Keep your hands off Medicare. The public is saying that.

And what are our Republican friends saying? They're saying, Keep your hands off Big Oil subsidies. Hello. What's that all about? They're saying don't touch the subsidies, the billions of dollars annually that the oil industry gets, our tax dollars given to the oil industry. Don't touch that. Keep your hands off those subsidies. But they want to put their hands onto Medicare and literally destroy Medicare.

Mr. TONKO. So you're saying that—to quote your dollar figure from earlier—if you're 54, 55 years old, save another $182,000 to cover your health care costs with the end to Medicare because the system has to pay oil subsidies to the historically profit-rich oil industry.

So they're saying, okay, garner up those dollars, save somehow the $182,000 additionally that you will require for your health care coverage because we have to give this mindless handout to the oil companies. Or guess what, $6,000 more out of your pocket per year for your health care coverage because we won't have the dollars if you don't do that to pay the oil companies or to give the millionaires and billionaires their tax cut.

These are the priorities that need to be addressed thoughtfully at a negotiating table. And the ridiculousness of the empowerment of the most powerful at the expense of the masses of those who have received quality of care and dignity addressing their golden years, that has to be sacrificed just so that this stubbornness of negotiation can continue where you're going to have this Darwinistic outcome.

Mr. GARAMENDI. Representative TONKO, we do have a deficit problem. We have to address that. We've talked about ways that that can be done in the health care sector without harming Medicare. But one of the most important things in addressing the deficit problem is to put people back to work.

Americans want to work. They want to earn a living. They want to have enough money to pay for their home or their rent and food and take care of their children so their kids can go to school. We need a jobs program. We need a jobs program in America. We need to be able to put people back to work. We're into almost the end of the sixth month of this session. Not one jobs bill put forward by the Republican Party. Not one. They talk about cuts in taxes as though that's somehow going to create jobs, and there's absolutely no evidence that it does.

Mr. TONKO. What does grow jobs is strengthening purchasing power so that as the middle class of America, which is the engine that drives the economy, has the available cash to purchase things, to be out there and allow for the upper strata to have their products sold, purchased, you're going to destroy purchasing power of many households, senior households, those who have to save $182,000 before they qualify as seniors. That's going to drain this economy.

Mr. GARAMENDI. That's money directly out of the pockets, and that's money that has to be set aside.

What I would like to take a few moments on, with your permission, is to talk about a program that you and I and our colleagues on the Democratic side have been working on now for the last, almost a year now, and we call it Make It In America. It's that great American middle class, the heart and soul of this country, the men and women that went to work every day and made something. They made cars. They made jet airplanes. They made engines. They were out in the fields. They made the tractors. America was the great manufacturing center of the world. And in the last 20 to 30 years, we've allowed that to dissipate.

We want it back, and we know we can get it back. We have the ability in this Nation to rebuild the manufacturing base of America; and when we do, we will rebuild the middle class of America. We call this Make It In America. And it's so important.

You come from an area that still is a great manufacturing sector and was once the greatest center of it.

Mr. TONKO. Absolutely. The 21st Congressional District of New York, in the capital region, Mohawk Valley of upstate New York, hosts the original

infrastructure of the Erie and Barge Canals, the route that gave birth to a necklace of communities called mill towns that became the epicenters of invention and innovation that inspired a westward movement, that inspired an industrial revolution.

□ 1930

That pioneer spirit is the DNA of America. Give us the opportunity to invest in ideas, and we turn that into manufacturing and we go forward.

But it begins and ends with a quality workforce. And the cuts proposed in Head Start, with a quarter of a million children being denied Head Start opportunities, the huge cuts to title I funding to get resources to our schools, especially those in most difficult situations, would destroy the workforce of the future. Without investment in education, there is not a strong and vibrant workforce that can continue to carry our strength as a Nation in this global economy. So that is a start.

And then also, I have witnessed in my region, where we're the third-fastest growing hub in this Nation for science and tech jobs, high tech jobs, that when you start cutting away at R&D, you're going to destroy the opportunity that we have as we continue to cluster with these science and tech-related jobs.

Mr. GARAMENDI. Representative TONKO, I come from the San Francisco Bay area. We are the first great science research technology. We'll let you be number 3. But we're number 1.

Mr. TONKO. Not for long.

Mr. GARAMENDI. But the point here is that our strategy of ''Make it in America'' includes a half a dozen different specific programs, one of which you talked about, which is the education system.

Why in the world, when we need, as you just said, to build the ability of the American worker to compete, smart, capable, would we reduce the education funding? But that's precisely what our Republican friends have done. They've taken money out of the Pell Grants for college, very significant, Head Start. All of the Federal education programs are being reduced by the Republicans at a time when we have to build it. So if we're going to make it in America, we need a well-educated work force.

This one up here we call trade. Listen, China's cheating. China is cheating on their currency. And no matter how creative, how competitive we are, how hard our workers work, it's virtually impossible to compete against China because of their currency cheating. The Democrats want to put on this floor, send to the President a demand that the United States take action, against China on their currency issue so that we could have a fair trade situation.

Mr. TONKO. Absolutely. The currency issue is epicenter to the solution that's required. Fair trade is what really allows us to compete effectively. This imbalance that's been able to continue is very harmful to our economy, to the workers of this country.

You know, the working families have taken it on the chin. The middle class of America needs that purchasing power, that enhancement of purchasing power. Then you see economic recovery. Then you see people putting people to work because, as that activity continues to grow and snowball, you will require the investment in jobs in all, from service sector on over to manufacturing on over to R&D. And where you plant R&D as a center of invention, of ideas of innovation, there will come to be next door to that planting the manufacturing elements that will allow our manufacturing sector to prosper.

Mr. GARAMENDI. Well, R&D, research and development. In the continuing resolutions pushed forward by the Republican party and successfully enacted and signed into law by their intransigence to deal with any new revenues, the research budgets of the United States were significantly reduced at a time when we actually need more research.

Research into energy. We know we have an energy crisis. We know we need to move to new energy sources. And yet the Republican budget reduced the energy research for this Nation.

Automotive research. We're just now beginning to claw back and rebuild our automotive industry, and so research into batteries and new efficient automobiles—eliminated by the Republicans. What are they thinking?

Mr. TONKO. And when you talk about battery manufacturing, advanced battery manufacturing taking place in my district, you're talking about the linchpin. You're talking about that connector to all of the opportunities out there that transition us into alternative technologies. It begins and ends with that battery development. And we have those opportunities. We've invested in those. We need to continue to take that curve northward so that you put the money down that will grow jobs. That's investing.

There is the rightful expectation that there will be lucrative dividends from that investment. And when you look at the global race, this is much similar to the global race on space in the early sixties, when we got knocked on the seat of our pants in the late fifties with the Sputnik moment, and that woke us up, and we involved ourselves, and we embraced with great passion getting that race done in winning style. And we won it.

Today we have more competitors. You've got China, Brazil, India, Germany, Japan, all investing in a global race on clean energy and innovation, and we're going to tie our hands behind our back.

Mr. GARAMENDI. Take away the resource money and see what happens. We lose the race.

We know we all get sick, right? Why would you ever put forward a policy to reduce research in medical services and the basic understanding of the human gene, of understanding how we can solve medical problems? Why would anybody propose a reduction in the research for medical care?

I don't know. But they did. And they succeeded in reducing the budget for medical research.

So energy, medical research, automotive, transportation research, they reduce it in the budget and they expect our economy to grow, to be competitive? I don't get it, but that's what they have done.

Mr. TONKO. There are quantifiable benefits that come not just with job creation, but with service delivery. If you provide for this sort of basic research, you're providing for cures to illnesses that have continued to haunt the fabric and quality of life of individuals. And if we can discover and unleash that potential, there is a quality of life that's addressed. There's hope that's delivered to the doorsteps of families across this country. And so it goes well beyond job creation. But you're absolutely right. These are jobs that are of high quality, that require, again, the investment of America's know-how. They are opportunities for intellectual capacity that we, as a Nation, invest in higher ed, and this is putting that higher ed product to work.

Mr. GARAMENDI. Let's take another example. And this comes up on the energy policies of this Nation.

I think we all understand that the oil industry has done rather well, and we continue to subsidize the oil industry. Efforts to eliminate those subsidies and to shift those to the new green technologies have been blocked by our Republican friends.

Now, we do have money going to subsidize, to provide incentives for the clean energy industry, wind turbines and solar photovoltaic systems. I have a bill in, actually two bills, that say that our tax money must be spent on American-made equipment.

For example, I have two big wind farms in my district, the Altamont and the Solano wind farms. They're huge, huge pieces of equipment, towers 400 feet high with blades that are a football field across, made overseas in Europe and China. And I'm looking at it and I'm going, wait a minute; our tax money's being used to help build these systems? And yet they're not American-made? I said, no, no, no, no. If our tax money's going to be used in this way, it's going to be used to buy American-made equipment. That bill is in. It's now being slowed down, blocked in the various Republican committees here. But it seems to me foolishness to allow our tax money to be sent offshore.

We also, all of us, pay 18½ cents excise tax for gasoline. That money is used to build roads, highways, bridges, and to buy trains and buses and light rail systems. My legislation says that that money must be used to buy American-made equipment. Those trains,

those buses, those light rails, the steel in the bridges, will be American-made.

Why don't we bring those jobs back home? We can do this using money that is already available, already being spent, but sometimes all too often spent on foreign-made equipment.

Mr. TONKO. And talk about this sort of innovation economy where you invest in America, you make certain that our infrastructure that moves goods and people is as sound as it can be. But as we invest in the growth of jobs and ''Make it in America,'' and you talk about the clean energy economy, the alternative technologies, the innovation that comes with advanced battery manufacturing, that stops the trail, eventually, of dollars that are exported out of this Nation, going into the Mideast, $400 billion plus a year to maintain this fossil-based economy that has us gluttonously dependent on fossil-based fuels that are imported from unfriendly nations to the United States.

□ 1940

There has to be a cleaner way, a more innovative way, one that embraces the American intellect and the ingenuity that enables us to grow products that are not on the radar screen. That's how a great nation continues its greatness; that's how it continues to become even greater, by putting to work its brainpower and developing products that are kinder to the environment, strong in their manufacturing element that produces here in these United States and draws upon the workforce and the R&D potential of everyone from trades up to the Ph.D.s involved in that equation of success. I think it's a way to empower us across the board.

Mr. GARAMENDI. As we come to the conclusion of this, the Make It In America agenda is a powerful agenda to rebuild the American manufacturing base to put middle class America back to work so that they can have the home that they want, so that they can take care of their children's education, so that they can have, once again, pride in this Nation. We can do it. And these are the policies—a fair trade policy in which we tell China, no, no, no, we're not going to let you cheat on your currency any longer, where the tax policy makes sense.

This one. An example. Somewhere in the last 30 years, built into the tax laws was an incentive for American corporations to shift jobs offshore. They take a job; they send it offshore; they got a tax break. I don't know where it came from. I know it was in the Codes. And what we did in the tax bill last December was to eliminate that tax break for American corporations sending jobs offshore. It passed. The President signed it, but our Republican colleagues, to a person, voted against it. They voted to keep that tax break for American corporations to shift jobs offshore. Doesn't make sense to me, but it's gone. And that's the kind of policy we want to put in place, where we take care of Americans who are working in America.

Mr. TONKO. And you know, Representative GARAMENDI, just about an hour ago we were talking about it all being about principles, values, priorities, contrasts, and choices. Well, if we go with the choice to not make it in America, not invest in innovation, research for medical purposes, means that we may not be able to contain those costs of medical needs, of health care, because we will avoid the discovery of better treatments, new cures, prevention elements that all come with the medical research and medical innovation that can be made in America.

And then we have opportunities to keep Medicare alive, not destroy it, by containing costs for health care and allowing for the dignity of life and the quality of care to go forward without this treatment to end Medicare. And the choice is to avoid powerful industries like the oil industry, giving them mindless handouts, or do we invest in education, higher education, job creation, quality of life issues, housing opportunities? These are the choices we're talking about.

This hour has been, I think, an opportunity for us to exchange, with a clearer expression, what the contrast is on the floor of the House of Representatives and what it is between this Path to Prosperity that we have seen as a Road to Ruin, one that would end Medicare, continue handouts to record profit oil industries, to continue to advocate for millionaire and billionaire tax cuts at the expense of America's middle class that needs a stronger purchasing power and needs to know that her children and grandchildren will have the opportunities, equal opportunities for quality education and a college degree.

Mr. GARAMENDI. Thank you very much, Representative TONKO.

Our promise to the American seniors and those who want to become seniors is that this tombstone that the Republican Party wants to put out there—that is, the termination of Medicare—will not happen. We will not let this happen. Medicare is part of the American agenda. It is part of what is good about America, and it will not be terminated by anybody. That's our promise. That's where we draw our line in the sand.

Thank you very much for this opportunity.

Mr. TONKO. Thank you very much, Representative GARAMENDI. It has been a great opportunity to share this hour with you.

We only ask that thoughtfulness guide the negotiations—either on a deficit ceiling bill or on budgets as we go forward—thoughtfulness and a desire to grow opportunity for all Americans. We're at our best when the inclusiveness of this process enables everyone to be empowered and not just the special interests, the wealthy oil industry that has set record profits 2 years in a row.

With that, I thank the Speaker for the opportunity, and I yield back the balance of my time.

FRESHMAN CLASS ON JOBS AND DEBT

The SPEAKER pro tempore. Under the Speaker's announced policy of January 5, 2011, the gentlewoman from Alabama (Mrs. ROBY) is recognized for 60 minutes as the designee of the majority leader.

GENERAL LEAVE

Mrs. ROBY. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks and include extraneous material on the topic of my Special Order regarding the debt and jobs.

The SPEAKER pro tempore. Is there objection to the request of the gentlewoman from Alabama?

There was no objection.

Mrs. ROBY. Mr. Speaker, I am joined here tonight by Members of the freshman class once again to focus this discussion on jobs, and I immediately had just one glaring road sign in my mind as I sat here and listened to the Democrats talk about their so-called plan, ''Make It In America,'' and it's ''stop,'' s-t-o-p. This has to stop. The American people deserve the truth. And what you just listened to, what was just presented to you is not that.

We have got to focus in and look at—which we're going to do tonight in a very good discussion—this job-killing legislation that has been presented by the very side that just stood up and told the American people that we're out to kill Medicare and so on and so forth. People can't make it in America right now because of the heavy hand of government that is bearing down on them, because of this job-killing legislation and overreaching regulation that continues to be promoted by the other side. And we've had enough. So let's stop. Let's stop the demagoguery. Let's get down to the truth. We're going to have that discussion here tonight.

The average unemployed American has been searching for a job for 39 weeks, the longest average time in history to be looking for a job. Twenty-one million jobs are still needed by 2020 to return our Nation to a full job recovery. Companies in the United States of America are hitting the brakes on hiring and production.

I want to start our discussion here and I want to hit on three points. I am going to talk very quickly about health care, about boiler MACT, and about energy and jobs. And that's going to lead for the discussion here tonight.

On May 19, a small business owner received documents from his insurance carrier stating that, due to ObamaCare the coverage in his policy would be updated with the new terms of the law on the anniversary of his enrollment. Four days later, this small business