

flow to make sure that we stayed in balance, make sure that we had everything that we needed. And that's just common sense. That's families balancing their budget.

I carry on that tradition. I do it, and people all over Missouri's Fourth District do it. Families I talk to, they say, Every year we balance our budget, how come Washington doesn't? Every small business I visit says, We balance our budget, how come Washington doesn't? Every farmer and rancher I visit with says, We balance our budget, how come Washington doesn't?

We have got to start taking the common sense from the people and apply it here in Washington.

Even the States, they certainly are one up on us here—49 out of the 50 States have a balanced budget amendment. They live within their means.

Yet Washington thinks they don't need it. Well, I think they do. With a \$14.3 trillion debt that we have now, it is evident that people here cannot live within their means, and they need to have the constraints of a budget.

So we've passed it here in the House. It was the right thing to do. It's supported by the American people. Now the Senate and the President need to get on board.

Why the President would oppose our cut, cap, and balance plan, I have no idea. I want the President to share with me and with all of us and the American people why he does not support balancing our budget. We do it at home. We need to do it in Washington, and we need to do it now.

Thank you.

Mrs. ELLMERS. Thank you so much.

The gentlelady from Texas (Ms. GRANGER) will be finishing this evening's comments.

She is a good friend to all of us as freshmen, a mentor to us, and I thank you for coming this evening as well. It means very much that you contribute to this.

Ms. GRANGER. Thank you very much.

Mr. Speaker, I want to talk a little bit about my experience balancing budgets because I had to manage many different kinds of budgets, and some all at the same time.

As a business owner for 23 years, I had to balance my insurance company's budget. As the mayor of Fort Worth, I had to balance the city's budget. And as the mother of three, I had to balance the household budget.

What is the same about every budget I have ever balanced is that there was never any choice. There were very serious consequences for not being fiscally responsible, whether it was in my business, at city hall, or at home.

Most Americans have had the same experience I've had. We all sit around the kitchen table and figure out how to make ends meet, and then we ask why can't Washington do the same thing?

Families and businesses have to balance their budgets every single day. It's only right that the Federal Gov-

ernment, with \$14.3 trillion in debt, should finally have to do what all Americans already do. But when Washington is asked to balance the budget for the American people, this seems to be too tall an order.

Washington could learn a thing or two from the women in Congress: 10.6 million businesses owned in the United States are owned by women, and women now make up the majority of the workforce. We're the leaders of Fortune 500 companies. But as we've taken an even greater responsibility, we haven't given anything up. We're balancing budgets at our business during the day, and when we get home, we're taking care of our families' finances, and many of us care for our aging parents and their budgets too.

□ 1650

We know what it means to make ends meet, and we've lived up to that responsibility in every part of our lives. It's now time for Washington to do the same.

Mrs. ELLMERS. Thank you so much.

My good friend was pointing out the need to be following our finances as more and more women are becoming businessowners. They are the breadwinners, as you can see from this chart here, once again figuring out the bills, balancing the budget, taking care of our family members and their health care needs. It's so important.

In order for us to be good stewards of taxpayer dollars here in Washington, it's time for a balanced budget amendment. I am very proud of what our House did in a bipartisan effort yesterday, and I'm hoping that the Senate and the President will also be part of that very significant, historic move so that we can get this country back on sound financial ground.

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

MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States was communicated to the House by Mr. Pate, one of his secretaries.

MAKE IT IN AMERICA

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

Mr. GARAMENDI. Thank you, Mr. Speaker.

I am going to be joined by my colleagues today, and we are going to talk about the financial situation here in the United States and about the meaning of the various ideas and proposals that have been put forward.

I want to compliment my colleagues on the Republican side for their tenacity in putting out their sound bites, but I think it's very, very important for the American people to understand

in detail exactly what is being proposed here. Yesterday, we did have what was called the Cut, Cap, and Balance proposal. You might also call it the "Cut, Slash, and Burn" proposal because, once you get past the sound bites and get into the details of what has actually been proposed, you've got to stand back and go, Whoa. Wait a minute. Is that really what a balanced budget amendment is all about?

We're going to go into that in a few moments to really understand exactly what this balanced budget amendment is and the effect that it will have on Americans, particularly on women in America; but before we go there, we need to step back a bit and understand how it is that we got into this situation with this deficit of \$14 trillion. How did we get here? It's really important to understand that. Before you go off and try to solve the problem, you need to know what is the situation, what is the circumstance.

This little chart here lays out where the deficit came from. Now, understand that, at the end of the Clinton administration in January 2001, the United States Government was running a surplus, a \$300 billion-plus surplus. It had run that for the previous 2 years. So we had a surplus, and we were on the path during the decade 2001–2010 to literally pay off the entire American debt. It would be paid off. Now, whether that's a good idea or not, you can debate that, but that's what we were on. So the trajectory was, had we maintained the same policies, the same growth in our economy, we would have paid off the total debt. However, something happened.

Now, what happened?

What happened was a change in policies and two wars: the Iraq and the Afghanistan war following the 9/11 event in 2001 and then the Iraq war in 2003—neither war paid for. For the first time in American history, neither war was paid for—all borrowed money for the first time ever in America's history. Another thing happened along the way, and that is: in 2001, the first George W. Bush tax cut followed in 2003 by the second George W. Bush tax cut.

Here is what they meant. Take a careful look at this. This is where the deficit started. We started here with the Bush-era tax cuts and then over the years so that in 2019—20 years—we have this extraordinary growth in the deficit caused by those tax cuts. Of course it assumes the tax cuts will continue on into 2019.

The red area here are the wars. Again, not paid for. So the Iraq war and the Afghanistan war.

The other thing is this downturn in the economy. The downturn in the economy occurred in 2008. How did it happen? Why did we have that crash of the American economy?

We had it because the Federal Government stepped back from regulating the financial institutions, allowing them to run wild, assuming that they would be smart enough to regulate

themselves. That didn't happen. They were smart enough to be extraordinarily greedy. Wall Street went on a greed binge, and the result was the collapse of the financial industry. Needless to say, there are other players in this game. Many Americans, hundreds of thousands of Americans, joined in the game and took out mortgages and bought houses, but there was no way they could possibly afford them. It was the financial industry, the mortgage industry and the Wall Street bankers, and we wound up with the great collapse of 2008.

To deal with that, the bailout of Wall Street occurred. Most of that has now been paid back. It worked. Did it work for the benefit of Americans? It stabilized the financial institutions, and it certainly worked for the benefit of Wall Street. That program occurred in the final months of the George W. Bush administration. Unfortunately, the American economy has not recovered despite the spending of some \$700 billion in the stimulus program. It actually worked. It didn't work enough to get the economy moving forward, so we wound up with this huge deficit.

Going forward, the deficit remains in place because the wars continue: \$178 billion a year spent on the war in Afghanistan and Iraq. Also continuing are the George W. Bush tax cuts. This is where the deficit is coming from. Thirdly, the economy has not recovered. That's where the deficit is.

Now, what do you do about that? Do you put in place a constitutional amendment that has something really interesting? When the American public understands what is in that amendment, it's not just a balanced budget; there are real things in that amendment. Then that amendment, if ever put in place, will have extraordinary consequences for America—in my view, none of them positive.

A sound bite is great: Balance the budget. Force the government to balance the budget just like we do at home. Hello, America. Do you really balance your budget every month? Every year? I don't think so. We take out a mortgage to buy a house. That's borrowing money, folks. That's not balancing your daily budget. That's borrowing money, and now you've got to pay the mortgage, pay the interest. When you lose your job or when you're laid off or when you're cut back in hours, what do you do? You do your best to cut expenses, and then you probably are going to borrow more money—maybe the home equity loan, maybe the credit card—to get by. We all do that, all of us. It's not so easy to at the end of every year balance the budget.

Forty-nine States? Yes, they have balanced budget amendments. I'm from California. Democrat Jerry Brown: facing a balanced budget amendment. Guess what? He borrows money. He doesn't balance the budget. Oh—and his predecessor, Arnold Schwarzenegger—Republican, said he was going

to “blow up the boxes” and balance the budget. It happened twice in the 7 years that he was Governor that he was able to balance the budget.

Why did this happen? Why did it happen? America, ask the question: What is in the balanced budget amendment? I'll tell you what's in it: a requirement that a two-thirds vote be enacted for every expenditure and every tax increase—a two-thirds vote. This is a fundamental shift in the very nature of American democracy.

□ 1700

We had a dozen wonderful Representatives of the Republican Party talk for an hour here, and not once did they mention that the American democracy will be forever changed. No longer majority rule. A fundamental tenet of American democracy, majority rule, pushed aside. And now should this ever become law, a minority rule, one-third of this House, one-third of this Senate dominating the will of 65 percent of every elected Representative and Senator. The end of the most fundamental tenet of American democracy, the end of majority rule.

It also works in a very pernicious and bad way. You can cut taxes with a majority vote. It takes a two-thirds to raise taxes.

So years and years ago, the oil industry had the opportunity in our democracy to receive a tax reduction. They got a tax reduction. And the oil industry went on with that tax reduction, called a subsidy, so that they can explore for oil and gas. For a hundred years they have had a tax break. Now, we can give them another tax break; but under the balanced budget amendment, it would take a two-thirds vote to take away the tax reduction, the tax break, the subsidy that they have received for a hundred years, a century, would take a two-thirds vote to do that because that would be considered to be a tax increase.

So what does it mean to the oil industry? Well, here's their profits from last year. Let's see: Exxon, \$10.7 billion; Oxy, \$1.6 billion; Conoco, \$2.1; Chevron, \$6.2 billion; BP, of gulf fame, \$7.2 billion, that's their profit. Part of that profit is your tax dollar. Part of that profit is the tax dollar of every American that has been given to the oil companies for more than a century so that they can go explore for oil.

Is there an American that believes that the oil industry needs our tax dollars to continue to be viable? I don't think so. But if the constitutional amendment passes, becomes part of our Constitution, a majority of this House and the Senate could increase the subsidy, but it would take a two-thirds vote to get our money back. We need to understand the details of what a balanced budget amendment means.

I've been joined by my wonderful friend and extraordinary Representative from the great State of New York representing the Hudson River Valley in the capital region.

We had a discussion last night about a piece of this, and I've been waiting for you to arrive when we could talk about how the balanced budget amendment and the cuts in the legislation that was passed yesterday would affect women.

We just had 20 women from the Republican Party here telling us that we ought to enact a balanced budget amendment. What does it mean for women who are 65 and over?

Would you please join us and enter this conversation.

Mr. TONKO. Thank you, Representative GARAMENDI, and thank you for bringing us together on some very important discussions and laser-sharp focus which is essential as we face this default crisis, where there are those who are dragging their feet and not resolving the default crisis and refuse to have us pay our bills. And when we default on our debt, it's very problematic because it can disrupt our pensions, it can disrupt our 401(k)s, it can disrupt our mortgages because of the interest rate being somewhat fluctuated by that default crisis and our failure to pay our bills.

What I think is important here is that you outline how unfair this process can be, how it can be routed to support easily deep pockets, efforts to give windfall industries a mindless handout, the big oil companies getting a handout. It's much easier to retain that benefit, and it's very difficult to save Medicare. It's a simple majority that can end Medicare.

Many of us go home every week, others as frequently as they can because of the distance they have to travel to get to their districts, and we're greeted by signs like this: Hands off my Medicare.

And it's no wonder, because what we've seen yesterday was the third attempt in this given few months of the 112th Congress to end Medicare. Three votes. One with the Republican Study Committee, one with the Ryan plan, a Path to Prosperity—which we have redesignated as the Road to Ruin. And then yesterday with this cut, burn and whatever, slash-and-burn attempt. I won't even get into the nomenclature because it's misrepresenting what would really happen.

Yesterday, we had a vote on this floor to make it easy to end Medicare and easy to maintain handouts to the oil companies. And when we look at the dollars that are saved by ending Medicare, we see where they somehow are transitioned over to tax cuts that are maintained for the millionaire-billionaire community, mindless handouts, the Big Oil industry.

So this is buyer beware week. We've seen this three times over, and it's an assault on the middle class.

When you talk about the impact on women, you know, an armchair scientist can take a look at the population of seniors and understand the proportional representation to the greater degree is women in that category. So this is an assault on senior women who require Medicare.

We talked about this last night on the floor, that things have changed since 1965 when President Truman and Mrs. Truman were the first to sign up for Medicare with that wonderful legislation. They began a process of dignity for our Nation's seniors where affordable, accessible care, a certainty in their lives, became a much-needed concept because there was cherry-picking going on. There was the unaffordable notion, the inaccessible notion of health care insurance coverage.

And to put that now at risk and develop and mess with our Constitution to make that all work, it's no wonder Wall Street, *The Wall Street Journal*, called it a very foolish approach. They labeled it in just very negative tones.

And certainly Bruce Bartlett, who was the economic adviser to President Reagan, said that it was akin to an intern writing a bill on a napkin. Well, I think that's a pretty tough slam for our interns. They would do better.

So we need to go forward with sensible strategies. We need to solve the default crisis. And let's face it, it should be about investing in jobs.

The jobs crisis is the number one priority of the American public. We see it in public opinion surveys over and over again. And that job crisis when we resolve it addresses any revenue crisis, any spending crisis, any deficit crisis. This is the best solution: Create jobs, invest in innovation, infrastructure, education.

Mr. GARAMENDI. Mr. TONKO, once again you are on the right track here.

Earlier before you came in I was discussing our Republican colleagues, Women's Day, and they were all talking about the great value in the balanced budget constitutional amendment.

My colleague from Colorado, JARED POLIS, came running over and said, They don't understand. They need to know what's in this. And I'd like you to explain.

I started off with the majority, two-thirds vote. You're a constitutional specialist. What does all of this mean to America if they really understood and got past the sound bite? "Balanced budget" sounds good, but what does it actually mean?

□ 1710

Mr. POLIS. It's particularly ironic that this session of Congress opened with a recital of the United States Constitution which really just, in the vote yesterday, has been debased. And our democratic Republic has been debased to an extent that I certainly have not seen in this body prior under either party.

Let's talk about exactly what was attempted yesterday in this constitutional amendment that would have essentially passed as part of a resolution. It's one thing to say that we want to eliminate Medicare. The House worked its will through the Ryan budget, phasing out Medicare for those who are under 55 years of age. The people of

this country will have the opportunity to change that. We saw an election in upstate New York where I think and most people think that the people of this country soundly rejected the effort to eliminate Medicare.

But regardless, that's what elections are about. I know that in the last election, Democrats didn't fare too well. A majority of this House was elected that wanted to phase out Medicare for people under the age of 55. Likewise, in the next election, if people run on that, a majority might arise in this body that supports keeping Medicare solvent for the next generation.

What was attempted yesterday was circumventing the public will by inserting into the United States Constitution exact fiscal policy that essentially wouldn't allow Medicare to exist in any form similar to what it is today. It would actually specify an exact percentage of the gross national product that the public sector can contain in our governing document.

This is unprecedented. Who hears of putting numbers, 19.7 percent, 19.5 percent, 20, 21 percent—we're talking about the percentage of the economy that can be public sector versus private sector. Who knows what the ideal percentage is? That's what elections are about. That's what we fight off every day here on the floor of the House. Some will say we should have it a little bigger; others will say we should have it a little smaller. The people of the country have their say. To somehow take that out of the realm of public discourse and insert that into our governing document is unprecedented. It castrates the United States Congress. It castrates and eliminates our ability to make public policy, for better or worse.

I had an exchange with one of my colleagues on the Rules Committee as we were bringing this to the floor the other day. I said, This is such an absurd concept. Imagine for a minute that there was a Democratic majority and we were saying, You know what, we want to put in our Constitution that public expenditures have to be at least 22 percent of GNP or—but it never even crossed our minds. There is no Democratic proposal like that because it just doesn't make any sense. That's what elections are about.

And yet here the Republican majority is trying to insert into our governing document—the one that they say that they have great respect for, the one that they began this session of the House by reading—inserting exact formulated fiscal policy regarding the exact size of the public sector, taking that ability away from the voters of this country, taking the discussion away from the deliberative bodies of the House and the Senate, taking it out of the hands of an election for President of the United States, removing the fundamental issue of what role government should play from political debates.

That is grossly undemocratic. It should be an insult to all of us who

value our democratic Republic, who value our democratic institutions.

However flawed, our representational system of democracy is the most effective in the world. The people's voice will be heard. By taking away the people's voice and castrating the United States Congress to specific policies prescribed in the Constitution, we remove the ability of present and future voters of the country to have their voices heard. Regardless of where anyone comes down on the policies, regardless of what percentage of the GNP you think it should be, I hope that most Americans believe that it's a fundamental value to have a say in our system of governance and to have these debates and to have them be part of the public discourse, and that was proposed to be taken away completely by a bill that passed yesterday in this body by a majority vote from the Republican side.

Mr. GARAMENDI. Thank you so much for bringing our attention to the way in which the balanced budget amendment would fundamentally alter the very nature of our government.

Earlier I talked about the majority vote versus the minority rule that is in this amendment. And now you bring to our attention the percentage that is in the amendment. Those percentages have real meaning beyond the issue of just a very, very important issue, the very nature of our government, and the reason why we have representative government, why we have the Senate, why we have a Congress.

But there's something else to it and that is, the percentage that they have chosen would force the government expenditures to go back to the 1965 level where there was no Medicaid and no Medicare program in America. So, once again, there are different ways of assaulting and terminating Medicare. One was the direct way that was in the Republican budget that passed this House earlier in which they explicitly said that for all Americans who are not yet 55, there would be no Medicare. They would be given a voucher, and they would have to go buy insurance from the private insurance market, which all of us understand is a very difficult place to get a fair deal. The other way of doing it is in a constitutional amendment, as was proposed yesterday, that would make it impossible to fund Medicare and similarly impossible to fund things like natural disasters.

Let's assume we were at 18 percent, which is the number they've chosen, of GDP and the Federal budget, and we have the great Mississippi flood or the great Missouri flood or the earthquake in California or the hurricane in Florida, billions of dollars. The Federal Government would have no ability under this amendment to step in.

Let me turn to Mr. TONKO. I know you had some other things that you wanted to bring to our attention.

Mr. TONKO. Well, by their own acknowledgement, their own leaders indicated that this would enshrine the Republican agenda to end Medicare in the

United States Constitution. So what we end up with is that we have these very bold statements made, that right there after the freedom of religion and the freedom of thought, the freedom of assembly, we can have the freedom from health care for anyone age 65 and older. That's not quite an honorable position to follow or to promote.

Mr. GARAMENDI. Freedom "from" health care.

Mr. TONKO. Yes. I just think that what we have witnessed is a messing with a very precious document, one that governs this democracy, this Republic in a way that was carefully planned by our founding parents. And to take that precious document and to use it in order to promote a political agenda and one that denies access to a health care concept is wrong.

When we look at this 1966 threshold, when we take it back to spending opportunities at that vintage, we need to keep in mind that Medicare, assisting grandparents, grandma and grandpa, means that they're denying the fundamental fact that since 1966, grandparents, grandma is living 10 years longer, on average. So it's not real to take us back to this unwarranted threshold of 1966. And also, we've had much progress in technology and research in medicine so that there are new opportunities for which we avail ourselves the funds.

So I think that a lot of this is not based on reality. It's not based on the desire to serve. It's rather based on denial. And that's not what this should be about. There is a certain bit of dignity. There is a respect factor shown to the senior population. And I can tell you, when you get messages like this at home, Keep your hands off Medicare, we're getting this in letter format, email format, faxes coming into the office, phone calls. Nine to one, every 10 calls coming in, you'll get nine phone calls of advocacy to not only keep Medicare but to strengthen it.

And what we did, as you know, Representative GARAMENDI, we went through and provided those screenings and those annual checkups and made certain that no copayments or deductibles would hold back the opportunity for our seniors. We made certain that we began the process of filling the doughnut hole, and we found savings in the Medicare situation.

And, yes, they're right. They talk about cutting back. We found savings by reducing the profit columns of the insurance industry when it came to Medicare and then transferred—in a very fungible way, we transferred those savings into the development, positive outcome for seniors in the pharmaceutical area because we know that the doughnut hole is a very pricey thing for many people. In just a few months into a calendar year, seniors are dipping into their own pockets to pay for the pharmaceutical costs in order to stay well or to recover from an illness.

So there was great compassion shown here, and we moved forward with a way

to fill the doughnut hole completely, completely. And we began that process last year. That is denied again in this process.

Again, to the fact of being concerned about women, if you are concerned about women, why would you cut Head Start programs? Many working moms require Head Start, not only to maintain a career or perhaps work, because you may be a single parent, or even a double income household still needs that job.

□ 1720

Head Start is a good way to develop the social, the educational, and the cognitive skills of youngsters. Why would you deny a quarter of a million of children Head Start? That's that attack on women, working women.

Why would you reduce education by 12 percent in title I areas, as they had suggested, as they did with their budget. That's an attack on educators, most of whom are women. It's still a very highly predominant field for women.

So when we look at some of the attacks here by gender, by age, by income strata, it's clearly assumed here, and documented, that it's an assault on middle class America, on working families. And it is time to grow the middle class, strengthen the middle class, enhance their purchasing power. In so doing, you develop a stronger America.

And so we need to go forward with a laser sharp focus and an honesty that's built by truth, not fiction, and do what is best as we go forward to invest in infrastructure, education, and certainly the improvements that we need to make in innovation.

Mr. GARAMENDI. Before we leave the balanced budget amendment, the bill that was on the floor yesterday had two other pieces to it. One of them was to go after the budget of the United States and reduce it by \$111 billion, beginning in October of this year. That has real impact. Part of that impact would be felt on Medicare.

Let's just put some understanding into what Medicare is all about. Our colleague from Connecticut did this last night, but it really, I think, is well worth repeating, and so I am going to just read off some statistics, so please bear with me.

In 1965, when Medicare was established, 44 percent of all seniors 65 and over did not have health insurance. Now, of those, 40 percent of the seniors lived in poverty. So you had heavy poverty and you had no insurance. The two are tied together. You get sick, you lost your money, you spent everything you had. The life expectancy at that period was 70 years.

Now, what's happened in the intervening years since 1965? Now, 40 million seniors, nearly every senior in the United States, has health insurance. Not just a little health insurance, they have a comprehensive health insurance policy that covers most everything they need—doctors, hospitals, and drugs.

The poverty rate for seniors has fallen from 40 percent to 10 percent. Why? Social Security and Medicare.

Now, they lived to 70 in 1965. Today, seniors live to an average age of 78½ years. Why? Because they have medical care and they have Social Security providing them with the basics of life.

Now, what happens if the Republican budget were to pass and Social Security were to end, not only for those who are 55 years of age now and want to have Social Security 10 years later in their lives when they become 65, but immediately for seniors, now, if the Republican bill passed, would become law that passed yesterday, and the previous one, the budget bill were to become law? \$880 billion would be removed from Medicaid.

Medicaid's a different program than Medicare. This is for impoverished people in America, almost all of whom are in nursing homes. \$880 billion, over 10 years, removed from Medicaid. So those seniors, most of whom are women—and I would remind you that we heard from the Republican women here earlier promoting a program that would cut \$880 billion out of Medicaid, 70 percent of which goes to nursing homes, the majority of whom in those nursing homes are women. This is not a women's program that they've put forward.

And on the drug side, you were talking about this, Mr. TONKO. This is an immediate reduction, an immediate reduction in the drug benefits, so that 3.9 million seniors would wind up paying \$2.2 billion more immediately if the Republican budget were to go into law because of the reduction in the Affordable Care Act that provided this benefit.

These are just some of the things that the American public needs to understand when you get past the sound bites. We must balance the budget and, therefore, the balanced budget amendment.

Well, wait. What is it? What does it really do? It terminates majority rule in America and institutes minority rule so the fundamental of American democracy is trashed; requires that the budget of the United States be ramped back, back, back to the 1965 percentage of GDP, before there was Medicare, which, inevitably and inextricably means that Medicare is over once that balanced budget amendment passes.

Mr. TONKO, please continue.

Mr. TONKO. Representative GARAMENDI, what I didn't hear, though, was the resolve of the default crisis. I didn't hear advocacy from the other side about paying our bills. I'm hearing about cutting away at middle class values and middle class needs. I didn't hear about the default crisis and paying our bills.

We're saying we need to respond to a default crisis, and we're also talking about a jobs agenda. We haven't seen one jobs bill in the House brought forward. And that is a major concern, because the jobs crisis, when resolved by

producing jobs and investing in jobs, resolves the revenue crisis, the spending crisis, the deficit crisis. So we need to go forward.

Mr. GARAMENDI. You've moved to a subject that we really want to get to, which is jobs, but this is my favorite.

Mr. TONKO. Just on the Medicaid/Medicare piece, if I could just say one thing.

When we fall short on the Medicaid side, it falls again upon the property taxpayer, and again, if you're on a fixed income, as many seniors are, and again, the disproportionate number of women in households in the senior years are going to be, again, impacted by a property tax that, when levied on that home, doesn't know if you're unemployed, on fixed income, underemployed, so it will be hitting a retiree on fixed income very, very hard.

And so we're transferring from a progressive income tax and a progressive series of taxes at the Federal level on over to a State situation where it's going to trickle down into a property tax, which is grossly unfair.

Mr. GARAMENDI. And on the individuals.

Let's move on beyond it. But this is something that I always put up when we talk about Medicare, and that is it was 1965. This is a tombstone, and it says: Medicare 1965–2011. Created by LBJ. Destroyed by the GOP. No doubt about it.

Mr. TONKO. We've had three votes to end Medicare.

Mr. GARAMENDI. Three votes in the first 6 months, now 6½ months of this new Congress, three votes by the Republicans that have put up three different measures that terminate Medicare as we know it.

Mr. TONKO. To give tax cuts to the job creators.

Mr. GARAMENDI. Oh, to the job creators. You must mean those wealthy folks.

Mr. TONKO. We're told it's the millionaire-billionaire tax cut that responded to the needs of the job creators.

Mr. GARAMENDI. We've been joined by an individual from the great State of Vermont who has spoken many times on this floor about jobs and about what we need to do.

Thank you for joining us. Share your thoughts.

Mr. WELCH. We are in a very serious situation now. We're what, 11 days away from perhaps, the first time in the history of this country, not paying our bills. And it's extraordinarily damaging what that will do to our economy. I mean, interest rates will go up. If we have a 1 percent increase in our debt service, that's going to mean \$140 billion more in taxpayer expense to service the debt. And I don't care whether you have a NANCY PELOSI point of view that we could use that money better on infrastructure or an ERIC CANTOR point of view that you could use that for tax cuts, that's money out the door. That is squan-

dered money. And the damage to the economy and to this asset, the AAA rating, is enormous, and that ripples through the economy and starts hurting people, individuals.

If you have a mortgage, your mortgage rates can go up on an adjusted rate loan. If you want to buy a car, you have to borrow some money, your rates are going to go up. If you have put aside money for your kids to go to college, which is, as we all know, incredibly expensive, the markets are going to create an immense amount of turmoil, and the likelihood is you'll take a real hit on that.

□ 1730

If your retirement savings, if you're about to retire and you've been saving all your life, that can get whacked. This is reckless and irresponsible. We have to pay our bills.

Now it is true that we've got a long-term fiscal challenge that requires a long-term fiscal plan, but this first time in the history of our country literally holding hostage our obligation to pay our bills to getting your way on your design of how we should have a long-term fiscal plan, that's never been done before.

You know, in all candor, both sides in the past have tended to grandstand when it comes to the debt ceiling. The custom has been around here that the party that's out of power and doesn't have the responsibility to get the debt ceiling passed so that we pay our bills grandstands about it, but neither side has ever actually held that debt ceiling and that obligation to pay our bills hostage.

Ronald Reagan, who was not at all shy about engaging in tax fights and budget fights, raised the debt ceiling. He never would use the full faith and credit of this country to win his battles because he knew that would cause too much harm to the economy; it's putting a loaded gun at the head of the American economy. We have got to get back to the basics here. We've got to pay our bills.

My hope is that then we would work together because we don't have to cut Medicare to get to fiscal solvency. We do have to reform the way we deliver health care to bring down the cost of health care, but if we have a balanced approach where we include revenues, we include the Pentagon, and we, as Democrats, look very hard at various spending programs and are willing to share in the effort to get ourselves onto fiscal solvency, we can do that. So we can make progress if we work together and just recognize the obvious: we've got to pay our bills, and we also have to work together to get a long-term fiscal plan.

Mr. GARAMENDI. PETER, as we stand here on the floor of this House debating an extraordinarily important moment in time about the direction we're going to go, this issue of paying our bills, we need to understand that what we're really talking about here is

not tomorrow's bills; we're talking about expenditures that have been made over the years dating back to World War II and even before World War II, expenditures that have been made, votes by the majority of this House and by the Senate, signed by the President, America decided to spend the money. Earlier, I put up a chart here talking about where it came from—this House. And George W. Bush voted to reduce taxes, created a deficit, had to borrow money, voted to start and to carry out two wars, Afghanistan and Iraq, borrowed money to do it. These are past expenditures. And here we are 12 days away from the default crisis where our Republican friends are using this moment in time where we're not really discussing tomorrow's expenditures; we're talking about yesterday's expenditures, and they're saying give us our way or else America defaults.

Mr. TONKO. Representative GARAMENDI, I think that the message from the Democrats in the House of Representatives is straightforward and very logical: Don't end Medicare. We saw three votes to end Medicare in the House. We say save Medicare, make it stronger. But then we talk about cutting, cutting programs that don't create jobs; do those cuts where there are not jobs created. Where there are, save those programs, strengthen them; provide for jobs by investing in education, in innovation, and in infrastructure. And it's very easy when you take the education investment, the infrastructure investment, and certainly the education investment, that equals jobs for Americans, for middle class Americans. And that's what it's all about. If we create jobs, it drives down the unemployment factor, drives down the deficit. And there's no stronger form of medicine, bar none, than jobs being created. It solves a revenue crisis, it solves a deficit crisis, it solves a spending crisis.

Some of these programs are correlated directly with unemployment. There is a need to address the needs of the unemployed, the poor. If you put people to work, if you invest in retraining programs, education, if you invest in R&D to grow, move ideas along to a manufacturing mode and then you make it in America, these are the values that we embrace as a party in the House.

I think it has been a refreshing message, one that really gets to something here. And at the same time we're speaking to the default crisis, we're saying this is how we resolve that default crisis. Don't walk away from the obligation, the responsibility to pay our bills. And as you said, two wars, a pharmaceutical deal for part D for Medicare, and millionaire and billionaire tax cuts were all spent, those were all forms of spending. And all of that, all of that was borrowed in order to spend on tax cuts. And now the bills have come home to be paid. It happened a decade ago—it doesn't matter,

they are bills that have to be paid. We cannot put the economic vitality and viability of this Nation at risk or trigger an international economic crisis by not paying our bills.

So we address the default crisis, we save Medicare and strengthen Medicare, and we have a formula of innovation, education, and infrastructure that equals jobs for Americans, working families, and middle class Americans. It's straightforward. It's straightforward.

Mr. GARAMENDI. We kept hearing from our Republican colleagues that what America needs is a cut, balance—how does that work?

Mr. TONKO. I don't know because it was messing with the Constitution. And The Wall Street Journal advised, don't mess with the Constitution, leave the Constitution out of this. And there were those who were economic advisors to President Reagan who said this is frightening—the exact words were very denouncing. And so no one took that seriously. And we spent hours here debating on a format that adjusts the Constitution, and some of the best minds who have worked in government from very conservative perspectives have said this was a wasteful measure.

Mr. GARAMENDI. Well, the Republican—we heard it here over and over again, it was cut, balance—whatever. What I kept hearing is cut, slash, and burn because they're going to cut and slash critical programs for seniors.

I think what Americans really, really want, they want a job.

Mr. TONKO. They want to work.

Mr. GARAMENDI. They want to go to work. They want an invest, grow, and build policy—not a cut, slash, and burn policy, but an invest, grow, and build. They want to invest, as you say, in education. They want their kids to have an education. They want to build the infrastructure. And they want to see the economy grow. But I'll tell you what happens when you start cutting, slashing, and burning. Here's what happens: If you take a look at the American economy, beginning in December of 2009, just start right there, just say that's the equilibrium point—wasn't a good day at all in America, a lot of jobs were not available. But we've seen 2.8 million jobs created in the private sector, okay. Simultaneously, we have seen cut, slash, and burn at the Federal level, as the Republicans have taken control and put in their continuing resolutions and reduced the Federal budget—and at the State level, and we've seen 378,000 jobs lost in the public sector. These are police, firemen, teachers, people that are out there making sure that our food is safe, and so forth.

So the reality is, we're seeing the government jobs go down. For every 100 government jobs that are cut, 30 private sector jobs are lost because those people depend upon the payroll from those government jobs.

The Simpson Bowles deficit commission said it very clearly: This is a long-term problem. We need to solve the

deficit over the long term. We cannot and should not solve it with immediate cuts because it will impair the recovery of America. And here's what's happening: We're seeing the growth in the private sector retarded as the public sector reduces. This is the effect of the cut, slash, and burn strategy that our Republican colleagues want to put forward.

So what's going on in Vermont?

□ 1740

Mr. WELCH. Well, let's talk about the balanced budget amendment. We in Vermont don't have a balanced budget amendment. We're the only State that doesn't have it. We have always managed to balance our budget. And we have done that when we have had Republican administrations and Democratic administrations.

The balanced budget amendment in Congress I think has some hazards because the Federal Government at certain times is the one tool that the American people have to be counter-cyclical. If the economy is really going down and it requires the Federal Government to step up to try to maintain purchasing power, that is debatable; but it is the only tool that we have as citizens is the Federal Government to do that.

I think what the balanced budget amendment suggests is that you can legislate away your future problems. You can come up with a fix that is going to guarantee you're not going to have to suffer through trying to figure out how to solve very difficult problems, either because it is a national security threat, it's a collapse in the economy like we had with the collapse of Wall Street.

And by and large it's not any way for us to avoid making direct and difficult decisions where we balance our revenue needs and we balance our spending needs based on the circumstances, and that's the constant work of Congress. It requires the application of judgment, it requires cooperation, and it requires the ability to be flexible and responsive to the circumstances that exist.

A balanced budget amendment is one size fits all that puts us in handcuffs in an effort to try to avoid getting out of balance.

Mr. GARAMENDI. Thank you, Mr. WELCH.

The gentleman from Colorado (Mr. PERLMUTTER) has joined us, and directly in front of me is the gentlewoman from Ohio (Ms. SUTTON).

Let me turn to the gentleman from Colorado first.

Mr. PERLMUTTER. Thank you, Mr. GARAMENDI.

I think you all have been focused on the real issue in front of us. We have some budget issues, but the best way to handle our debt is to put people back to work. The quickest way to reduce the debt or the deficit is to put people back to work. All of a sudden you have revenue coming in, and you don't have to pay unemployment and COBRA and

you don't have to pay so much Medicaid. That's the first order of business. Plus, it really makes people feel valuable. Anybody knows that a job gives you dignity. That's what you're looking for, a good job to care for your families and provide for the future. That's what we have to do here.

And Democrats, our formula is innovate, educate, rebuild our infrastructure, equals jobs, equals good jobs that are long lasting that people can rely on and they can work and feel good about their lives and the future for their family.

Now, one of the things that we have said as Democrats is if we make it in America, we will make it in America. Instead of sending jobs overseas, let's have them here. We have the finest people in the world, some of the most talented and skilled people anywhere, and we need to be making things in this country.

In Colorado, for instance, one of the places where we can see these jobs is in our energy sector, both in traditional energy, oil and gas development, but also in new energy—energy efficiency, renewable energy, solar, wind, biomass, new jobs, good jobs. And so all this budget talk, all of this balanced budget stuff that I think does real damage to the Constitution, that should be going to the side. We have to focus on putting people back to work with good jobs that last a long time.

Mr. GARAMENDI. Let's just get ourselves into a good discussion here. The great Midwest, Ohio, the industrial center of America, being rebuilt by BETTY SUTTON.

I yield to the gentlelady from Ohio.

Ms. SUTTON. Thank you. I thank my colleagues for being down here fighting the fight that the American people want us to fight. And that's a fight for jobs. The American people, the people I represent in Ohio, their number one priority by all means is about putting people back to work. As Representative PERLMUTTER just stated so eloquently, it is really about empowering people. They don't want a lot from their government, but they do want a government that works with them and for them, and to the extent possible plays that role that will help spur our economy, invest in infrastructure which puts people back to work, and levels the playing field for our manufacturers.

I come from a place where we have a very strong manufacturing base, and it hasn't always been treated fairly. We have had a lot of unfair trade deals that have been passed that hurt the people that I represent, and we have a lot of policies that frankly didn't do them well. We can do better.

But here we are 200-some days into this new Congress under this Republican leadership and not a single jobs plan to come before this body. It is quite amazing to think about. Instead, what are they talking about, imposing a budget that ends Medicare and protects the very tax breaks that end up shipping our jobs overseas.

Well, I am proud to stand with you tonight and work on those policies that will put America back to work and strengthen not only our infrastructure but our economy which will keep our place in this world as leaders. And so as we move forward, I hope that our colleagues on the other side of the aisle will get focused on what America needs, and that is jobs, jobs, and jobs.

We have a role to play. We can deal with the deficit. We should deal with the deficit; but the kinds of cuts that they are talking about, ending Medicare, taking this out of our seniors instead of cutting those tax breaks that have existed for those oil companies and others at the very top that have been a burden to our middle class because they are the ones who have to make up the difference, let's focus on jobs. Let's encourage our colleagues in the GOP to get on board and start working on what America needs, and that is to put America back to work.

Mr. GARAMENDI. And we're going to make it in America. America is going to make it. This is a great, strong country. Yesterday, I heard during the debate that we're broke. We're not broke at all. We've got a deficit problem; we can deal with that with some good policies when we put people to work.

This is America, and we're going to make it in America.

Let's look at that chart that Mr. PERLMUTTER has over there. Trade policies. We talked about that a little bit.

Taxes. We're spending our tax money on buying equipment that's made overseas when it ought to be made in Ohio—the buses, the trains, the solar panels, and the wind turbines. How about doing those in Colorado? You have a plant there. Use our tax money to buy American-made equipment.

Talk to me about research. Mr. TONKO, you come from one of the great early research centers of America.

Mr. TONKO. The original tech valley. Thank you, Representative GARAMENDI. I know we don't have much time. I'll do this quickly.

The 21st Congressional District that I represent in upstate New York is the host community to the Erie Canal barge canal. It gave birth to a necklace of communities dubbed mill towns that became the epicenters of invention and innovation. That same pioneer spirit is fed today. It's part of our DNA. But you need investments in R&D. It's why my region is now one of the top five in the country for the growth of green collar jobs, innovation that is being advanced simply by investing, as we did in the prior Congress, in job creation. Not cutting programs that provide opportunities for work.

Instead, they are going and building up programs like handouts to the oil companies that aren't producing a job, tax cuts for millionaires and billionaires. They need the dollars for that. They're cutting valuable programs that either speak to the dignity factor

for our seniors through Medicare or advancing research and development that grows jobs. That's what we need to do.

The Democrats are on message. Jobs, jobs, jobs. Solve the jobs crisis, you'll resolve the deficit situation, the revenue situation, and the spending situation.

Mr. GARAMENDI. We're going to put people back to work, and one way we're going to do it is with a clean energy policy. We need a national security policy on energy. I know that part of that solution is going to come from Colorado where they are doing the research and where they are making some of this equipment and from middle America. And I suspect even Vermont will have a piece of this puzzle.

Mr. PERLMUTTER, tell us about energy systems in Colorado.

Mr. PERLMUTTER. I know time is short, but in Colorado, we are very fortunate to have the National Renewable Energy Lab which is the finest lab of its kind anywhere in the world to help us develop ways to better use our energy. A gallon saved is a gallon earned, you know that kind of thing, but focus on energy efficiency, renewable energy, solar, wind, biomass, geothermal, those are new jobs. And to be more efficient with traditional energy sources, to be smarter about how we use them and how we extract them.

This is about restoring the American Dream for people, that they have good jobs, a good education, dignified and healthy lives of seniors. That's what we want to restore for America, not all of this gloom and doom and all that we're hearing and cuts. This is about restoring the American Dream, and we can do this.

Mr. GARAMENDI. Okay, we are going to have our bullet session here. We'll start with Ms. SUTTON from Ohio.

Ms. SUTTON. Thank you again for having this hour. It is so important that we do make it in America. I talked a little bit about jobs. I have a bill right now that is pending that I would encourage the Republicans to join me in passing. It's called the Keep American Jobs From Going Down the Drain Act. It says that as we rebuild our infrastructure here, our water infrastructure and sewer infrastructure, we do it with American iron and steel and manufactured goods. It's a jobs bill; it's a strengthening bill. It's good for America. This is a strong and great country. And I agree with my colleague, we can do better by it.

□ 1750

Mr. GARAMENDI. Mr. TONKO.

Mr. TONKO. Our country is strong. Our economy is one that is bolstered by job creation. And we've said it so many times over and over again: Don't cut valuable programs. Allow our seniors the dignity of Medicare. That enables them to have economic sustainability, vitality. That is important. And we invest from children to seniors in a way that produces jobs, strength-

ens regional, State, and the national economies, and we go forward.

And I think the optimism is there. Our message is one of can do, not denial, cuts, slash, burn.

Mr. GARAMENDI. Mr. WELCH.

Mr. WELCH. Three points:

One, let's pay our bills. We always have; we always will;

Two, let's have a long-term budget plan to stabilize our budget with a balanced approach—revenues as well as cuts, the Pentagon as well as reforming how we deliver health care;

Three, let's make it in America.

Mr. GARAMENDI. We're going to make it in America. When we do, America will make it. We will put forth, as Democrats, a jobs program. We're going to invest, we're going to grow, and we're going to build this economy. That's our promise.

I yield back the balance of my time.

CONTINUATION OF NATIONAL EMERGENCY WITH RESPECT TO THE FORMER LIBERIAN REGIME OF CHARLES TAYLOR—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES (H. DOC. NO. 112-45)

The SPEAKER pro tempore (Mr. RENACCI) laid before the House the following message from the President of the United States; which was read and, together with the accompanying papers, referred to the Committee on Foreign Affairs and ordered to be printed:

To the Congress of the United States:

Section 202(d) of the National Emergencies Act (50 U.S.C. 1622(d)) provides for the automatic termination of a national emergency unless, prior to the anniversary date of its declaration, the President publishes in the *Federal Register* and transmits to the Congress a notice stating that the emergency is to continue in effect beyond the anniversary date. In accordance with this provision, I have sent the enclosed notice to the *Federal Register* for publication stating that the national emergency and related measures dealing with the former regime of Charles Taylor are to continue in effect beyond July 22, 2011.

The actions and policies of former Liberian President Charles Taylor and other persons, in particular their unlawful depletion of Liberian resources and their removal from Liberia and secreting of Liberian funds and property, continue to undermine Liberia's transition to democracy and the orderly development of its political, administrative, and economic institutions and resources. These actions and policies continue to pose an unusual and extraordinary threat to the foreign policy of the United States. For this reason, I have determined that it is necessary to continue the national emergency with respect to the former Liberian regime of Charles Taylor.

BARACK OBAMA.
THE WHITE HOUSE, July 20, 2011.