SEQUESTRATION WILL KILL JOBS

(Ms. JACKSON LEE asked and was given permission to address the House for 1 minute.)

Ms. JACKSON LEE. Mr. Speaker, I enthusiastically rise to support JOHN CONYERS' H.R. 900, of which I'm an original cosponsor, which is a thoughtful response to legislation that was really hostage-taking, and that is the passage of sequestration almost 2 years ago. Everyone knows it was the need for the debt ceiling to be raised that generated it. But I'm not about excuses. H.R. 900 simply eliminates the sequester provision in the Budget Reconciliation Act. It is thoughtful and allows us to proceed.

However, we will not be able to pass it because our friends on the other side of the aisle are celebrating about the $85 billion in cuts across the board, hurting seniors, children, and families. And then they want to acknowledge this is the President's fault. Well, the President is willing to not look at poll numbers to be able to fight, to support, and enhance revenues and spending cuts. Thank you, Mr. President, for leading.

For those who say nothing has happened, it's because it has not happened yet, but I will tell you the continuation of sequester is going to hurt the American people and kill jobs. The continuing resolution that devastates those nondiscretionary projects of Head Start and education will also hurt the American people. Let's pass H.R. 900 and begin a process that the American people can buy into and a budget that is fair, with taxes and spending cuts that work on behalf of the American people.

SEQUESTRATION IS WRONG

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

Mr. GARCIA. Let me begin by saying that the district I have the honor to represent in south Florida is made up of middle class families in neighborhoods like Kendall, Westchester, and the Florida Keys. The families who live in this region don't care about ideological debates of the left or right. They simply know the difference between right and wrong. And, ladies and gentlemen, the sequestration is wrong.

The Keys Reporter reported that over 600 civilian workers at Key West Naval Base will be furloughed. This will hurt small businesses and families. Reports also say funding for work-study programs at schools like Miami Dade College, Florida International University, and Florida Keys Community College will be cut. The Miami Herald reported that air traffic control workers at Opa Locka Airport will be furloughed as of the beginning of April.

I respectfully ask my colleagues to put their differences aside and get to work. I urge the Speaker to bring up H.R. 699, a balanced bill to replace the sequester with spending cuts and revenues.

□ 1230

MARY LOU STOTT'S 80TH BIRTHDAY, VISIT TO U.S. CAPITOL

(Ms. GABBARD asked and was given permission to address the House for 1 minute.)

Ms. GABBARD. Mr. Speaker, I'm very proud to rise today to recognize a very special guest from Hawaii who is here visiting us in Washington this week.

One of my constituents, Tracey Stott Kelly, contacted me recently to set up a United States Capitol tour for her mother's 80th birthday. This wasn't like most other requests that we receive. Her mother Mary Lou's birthday wish was to visit the Capitol to see the work of her great-great-grandfather, who was an assistant to Constantino Brumidi. Mr. Brumidi was best known for the murals he painted in the Capitol over a 25-year period, including ''The Apotheosis of Washington,'' the ''Frieze of American History,'' and the walls of the Brumidi Corridors.

So this Friday, Mary Lou and her 'ohana will receive a very unique tour with Dr. Barbara Wolanin, the curator for the Architect of the Capitol, to highlight the beautiful paintings by Brumidi and to bring Mary Lou closer to her very talented great-great-grandfather.

Happy 80th birthday, Mary Lou. And thank you to Dr. Wolanin for helping to make this very special day a reality.

SEQUESTER

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

Mr. TAKANO. Mr. Speaker, the bill before us is a joke. It is only a few sentences, and all it does is ask the President to include in his budget a simple equation that divides the projected deficit by the number of taxpayers. It doesn't take a bill to do this; it just takes a calculator.

If the House Republican Conference wants us to do a math problem for the American people, I can save everyone some time and money. $845 billion, which is the estimated deficit projected by the CBO, divided by 158 million, which is the number of taxpayers, equals $5,300. Done.

Can't they do this arithmetic problem on their own? Why are we wasting taxpayers' money to operate this institution as we speak when we can solve this very simple math problem by just doing it. This is all an exercise in political theater.

I shouldn't have to come to the floor to do this. Any of my Republican friends could have called me, and I would have gladly walked them through that simple equation.

Mr. Speaker, my constituents in California's 41st District face an unemployment rate of 11 percent—higher than the national average. They need leadership from Congress to help them find jobs, not gimmicks disguised as legislation.

Our Founders didn't envision Congress assigning math homework. This is not elementary school. If my friends on the other side of the aisle want to talk about numbers, I would be happy to.

Zero, Mr. Speaker: that's the number of jobs this bill creates. Zero: the number or jobs bills the House Republican leadership has brought to the floor in the last 2 months. 750,000: the number of potential job losses if the Republicans refuse to stop the sequester.

APPOINTMENT OF MEMBER TO CONGRESSIONAL-EXECUTIVE COMMISSION ON PEOPLE'S REPUBLIC OF CHINA

The SPEAKER pro tempore. The Chair announces the Speaker's appointment, pursuant to 22 U.S.C. 6913 and the order of the House of January 3, 2013, of the following Member on the part of the House to the Congressional-Executive Commission on the People's Republic of China:

Mr. WALZ, Minnesota.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore. Pursuant to clause 8 of rule XX, the Chair will postpone further proceedings today on motions to suspend the rules on which a recorded vote or the yeas and nays are ordered, or on which the vote incurs objection under clause 6 of rule XX.

Record votes on postponed questions will be taken later.

REQUIREMENT IN BUDGET SUBMISSION WITH RESPECT TO THE COST PER TAXPAYER OF THE DEFICIT

Mr. MESSER. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 668) to amend section 1105(a) of title 31, United States Code, to require that annual budget submissions of the President to Congress provide an estimate of the cost per taxpayer of the deficit, and for other purposes.

The Clerk read the title of the bill.

The text of the bill is as follows:

H.R. 668

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. REQUIREMENT IN BUDGET SUBMISSION WITH RESPECT TO THE COST PER TAXPAYER OF THE DEFICIT.

Section 1105(a) of title 31, United States Code, is amended—

(1) redesignating paragraph (37) (relating to the list of outdated or duplicative plans and reports) as paragraph (39); and

(2) by adding at the end the following:

''(40) in the case of a fiscal year in which the budget is projected to result in a deficit, an estimate of the pro rata cost of such deficit for taxpayers who will file individual income tax returns for taxable years ending during such fiscal year.''.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from Indiana (Mr. MESSER) and the gentleman from Maryland (Mr. VAN HOLLEN) each will control 20 minutes.

The Chair recognizes the gentleman from Indiana.

GENERAL LEAVE

Mr. MESSER. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks and include extraneous material on H.R. 668, currently under consideration.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Indiana?

There was no objection.

Mr. MESSER. Mr. Speaker, I yield myself such time as I may consume.

First, I want to thank Budget Committee Chairman PAUL RYAN and Ranking Member CHRIS VAN HOLLEN for allowing the House to consider this measure, which will require the President's annual budget submission to Congress to include the cost per taxpayer of the deficit for each year the budget is projected to result in a deficit.

This bill is based on one simple principle: that each hardworking American taxpayer deserves to know how much the deficit costs them each year. This requirement would be a powerful reminder to the President and Congress that our decisions have real-world consequences for hardworking taxpayers.

It's long past time to hold Washington accountable for its wasteful spending. The massive national debt has ballooned to an unsustainable level because Washington has refused to make tough choices, instead, simply spending money we don't have and ignoring the explosive growth of entitlements. This abdication of responsibility is delaying the inevitable until there may not be any good choices left.

Mr. Speaker, I reserve the balance of my time.

Mr. VAN HOLLEN. Mr. Speaker, I yield myself such time as I may consume.

As one of the earlier speakers said during the 1 minutes, this bill simply requires a math calculation, and we have absolutely no objection to doing that. As the gentleman may know, about a month ago we passed an amendment that did virtually the same thing.

I do wonder why it is we think the President is better with a calculator than Congress. Because what this does require simply is that you take the deficit and you divide it by the number of taxpayers. But we're certainly fine to have transparency and have the President put that in his budget as part of his submission as well.

Our concern is that this really doesn't address the fundamental question that we're facing here in the Congress: number one, making sure we get the economy kicked into full gear, and jobs; and, number two, reducing the deficit in a smart and balanced way over a period of time so that we're not balancing the budget on the backs of our seniors, that we're not violating commitments we've made to our seniors, that we're not cutting into education funding for our kids—which is important to making sure that the economy grows and that they have opportunities in their lives—and that we do that in a smart way that doesn't, in the process, result in fewer American jobs.

So the real number we should be focused on here today is 750,000, because 750,000 is the number of jobs that the independent, nonpartisan Congressional Budget Office says will be lost so long as the sequester that began March 1 remains in place through the end of this year.

So let me say that again. So long as the sequester that started on March 1 remains in place through the end of the calendar year, the independent, nonpartisan Congressional Budget Office says that we will have 750,000 fewer American jobs. That's not President Obama's number; it's not my number; it's an independent number.

The Chairman of the Federal Reserve, Ben Bernanke, was on the Hill testifying just last week and made similar predictions. They have both—both the Chairman of the Federal Reserve, Ben Bernanke, as well as the Congressional Budget Office—said that our economic growth between now and the end of the year will be reduced by a full one-third if the sequester remains in place. So that's what this House should be doing.

Today, a little later today, for the fourth time this year—for the fourth time this year, Mr. Speaker—I will go, on behalf of my colleagues in the Democratic Caucus, to the Rules Committee and ask for the opportunity to vote on a piece of legislation that would replace that sequester in a smart and balanced way and in a way that doesn't result in 750,000 fewer American jobs.

□ 1240

Now, you would think our colleagues would want to vote on something like that instead of voting on a bill that just requires a math calculation—which is fine—but it doesn't do anything about jobs, and it doesn't actually do anything to reduce the deficit. But we've not been given that opportunity.

So I would just ask my colleagues: Why is it so important to bring a bill to the floor that asks the President to do another math calculation—which we all can support—and not bring to the floor of the House a bill that actually would prevent the loss of 750,000 jobs and present a balanced plan to reducing the deficit in a way that doesn't harm the economy?

That really is the question here today, Mr. Speaker, and maybe at some point we'll get an answer. And maybe this House will live up to its promise of being the people's House and a transparent House, and we'll actually get a vote on our fourth request. I'm not holding my breath, but it would be nice if those commitments would be kept, as well.

I reserve the balance of my time.

Mr. MESSER. Mr. Speaker, I appreciate Representative VAN HOLLEN and his comments. As he well knows, this Chamber has twice considered sequester replacement bills put forward by the House Republican leadership, voted on and passed out of this Chamber.

The alternatives are clear. I appreciate his recognition that this simple little calculation, while admittedly not going to change the planet Earth, it is important in providing budget transparency and helping the American taxpayer understand how much money we're spending here.

We often hear, as you're out in townhall meetings, How much is $1 trillion? And what this bill simply shows is that if you take $1 trillion, if that's the deficit in a given year, and divide it by 145 million taxpayers we have, it adds up to about $6,800 per taxpayer that we are adding to our debt every year.

Back where I come from in Indiana's Sixth Congressional District, that's a lot of money. He cited the number 750,000, and I would concede that $85 billion is a lot of money; but it represents about 2 percent of what we spend as a Nation every year in our $3.6 billion budget.

I came to the House floor yesterday and held up two pennies representing the two cents—the two percent—the two cents out of every dollar that we're asking Congress to trim out of our Federal budget. Does anybody in America really believe that our Federal Government is so efficient and so effective that we can't afford to trim two cents out of every dollar?

Now, clearly, we can do this in a more sensible way. I know of no one in either Chamber who is not arguing that we ought to find a more sensible way to bring these reductions forward, but bring them forward we must.

Now, with that, Mr. Speaker, I yield 1 minute to the distinguished gentleman from New Jersey (Mr. GARRETT).

Mr. GARRETT. I thank the gentleman.

Right now, as we stand here, the national debt in this country stands over $16 trillion, and one-third of that was rung up just during this President Obama's administration. And some outside expert says, what does that translate to you and me? Well, the average taxpayer may be in debt of $111,000 to the U.S. Government because of that.

On top of that, do you know that this is the fourth time that this White

House, that this President, has failed to follow the law and to submit a budget to the House on time? But when he finally does, I really do hope that this budget differs from his other ones which were riddled with red ink and absolutely had no intent to balance, not in 5 years, 10 years, or 15 years. They never balanced. In short, his budgets have been an economic disaster. Maybe that's why there has been bipartisan opposition to these budgets.

In the Senate, which is Democratically controlled, he got absolutely zero support for his budgets in the past. So it's high time that this President gets serious about the deficits, acknowledges that frivolous spending is part of the problem, and addresses the issues with appropriate budgets.

I support this legislation before us.

Mr. VAN HOLLEN. Mr. Speaker, I yield myself such time as I may consume.

The floor manager mentioned that two times our Republican colleagues had put forth an alternative to the sequester. I know the gentleman knows well that we're in a new Congress, and starting in January, all the bills that were put forward in the last Congress were wiped off the books. They don't have any meaning at this point in time. And this year, since we've been in a new Congress, since the election, the number of times our Republican colleagues have put forth a proposal to prevent that sequester to replace it is zero—zero times in this Congress—when it could actually make a difference. Yet, today, for the fourth time, we're going to go and ask for a vote on our proposal.

Now, we're not asking our colleagues to vote for a proposal, although I think that public surveys show the overwhelming majority of the American people would think that our alternative to replacing the sequester is a lot better than the sequester. We're not even asking our colleagues to vote for it. We're just asking for a vote on it. Let's let the people's House do its work.

Now, we talked about the deficit. There's no argument about the need to reduce our deficits. We just need to do it in a smart way and in a way that doesn't hurt the economy and doesn't cost jobs; and our proposal does have a balanced way. It combines additional, targeted cuts over a period of time with cutting tax loopholes that are in the Tax Code over a period of time.

Our Republican colleagues keep talking about how bad the deficit is. We say we agree with you on that, but it apparently isn't bad enough that you would close one single tax loophole in order to reduce the deficit. In fact, that Grover Norquist pledge that's been signed by over 90 percent of our House colleagues says that you promise not to close a single tax loophole for the purpose of reducing the deficit. You can't get rid of a tax break for corporate jets. You can't get rid of the special treatment of hedge fund managers under the Tax Code if it's part of an effort to reduce the deficit. How is that serious deficit reduction?

So what we've said is we need to do both. We need to eliminate a lot of those tax preferences and tax breaks for big oil companies and others; and we also need to make sensible, targeted cuts in other areas and reduce the deficit in a smart way. The alternative plan that we have proposed that we're asking for a vote on would accomplish the same amount of deficit reduction as the sequester through this calendar year, but do it in a way that does not cost 750,000 American jobs, because we don't do it so deeply, so quickly.

That's the difference, and that's why bipartisan commissions have recommended the balanced approach to reducing the deficit. So, again, the numbers for this year, which is the only thing that's relevant in terms of congressional action, is that there has been zero effort, zero times that our colleagues have brought to the floor a proposal to replace sequester. We're now asking our fourth time this afternoon simply to have a vote.

I hope that we can finally get one, Mr. Speaker.

I reserve the balance of my time.

Mr. MESSER. Mr. Speaker, I yield 1 minute to the distinguished gentlewoman from Tennessee (Mrs. BLACK).

Mrs. BLACK. Mr. Speaker, I thank the gentleman for yielding.

I rise today to speak in support of Congressman MESSER's bill, H.R. 668. This requirement would be a powerful reminder to the President and Congress on how the decisions regarding our government's spending impact the constituents that we serve.

Despite the fact that on the President's watch we have had 4 straight years of deficits exceeding $1 trillion and we still have nearly 23 million Americans who are struggling to find work, the President continues to champion more and more deficit spending as a cure to what ails our struggling economy.

But spending money we do not have is not an investment. It's a liability that limits the potential and the freedom of the American people and future generations. Every man, woman, and child in America currently owes $52,000 as their share of the national debt. It's time that the President and Congress level with the public about the burden of debt that's being placed on the American taxpayer each and every year.

Mr. MESSER. Mr. Speaker, I yield 2 minutes to the distinguished gentleman from Indiana (Mr. ROKITA).

Mr. ROKITA. Mr. Speaker, I rise today in support of this important legislation offered by my good friend from Indiana.

For more than 2 years now, my colleagues and I have led a family discussion across this country about our debt and deficits. Our current national debt stands at over $16.5 trillion and increases by $4 billion per day. We have $100 trillion, Mr. Speaker, in unfunded promises coming down the pike.

What many Americans, including some Members of this distinguished body, fail to understand is that these numbers have consequences. Our debt and deficits are not simply a series of numbers. They are a reflection of our morality as a people. And what our debt and deficits reveal is that, for the first time in the history of our country, this generation is preparing to leave the next worse off.

□ 1250

I always seem to be able to talk about, at least on one side of this body, how many times something was introduced last year versus this year, and somehow expecting a difference. Einstein had something to say about repeating something and expecting a different result.

Would anyone in this room be able to stand here and argue that this choice, leaving the next generation worse off, is morally correct? Of course not. The out-of-control spending coming from Washington will have a devastating impact on future generations, our children and grandchildren.

I recently received a letter from a Boy Scout in my district by the name of Michael Krane, who said he is ''concerned and disappointed in the job Congress has been doing in the handling of the budget.'' Unfortunately, Michael does not have a voice in this conversation. He is too young to vote. And, of course, his children that he will one day have have no voice, yet they will be paying this bill.

That is why I support LUKE MESSER's bill, to continue this conversation with the American people by simply saying, to those of us who are taxpayers, what we bear in terms of the cost for the government that we now have, as inefficient and ineffective as it is.

Mr. VAN HOLLEN. Mr. Speaker, I yield myself such time as I may consume.

As I pointed out earlier, but I think it bears emphasis, about 1 month ago we passed a virtually identical provision. So why are we back here on the floor of this House, again without opposition? I think everybody in this House voted to do this calculation and have it put on the books. So why we are here one month later when the sequester just kicked in, doing something that we already did, rather than focusing on the issue at hand, I think is a mystery to the American people. Folks who just read from letters they got and from constituents, I think those constituents are going to be asking, why are you doing now what you did 30 days ago when we have got all these other burning issues on our plate right now, and at a time when we are asking for a vote on a plan to replace the sequester in a balanced way for the fourth time.

I reserve the balance of my time.

Mr. MESSER. Mr. Speaker, I yield 2 minutes to the distinguished

gentlelady from Tennessee (Mrs. BLACKBURN).

Mrs. BLACKBURN. I thank the gentleman for the time.

Mr. Speaker, talking about burning issues, I don't know of anything that is more pressing than dealing with this Nation's debt. You can go back through the pages and look at what Admiral Mullen had to say on July 6, 2010:

> The greatest threat to our Nation's security is our Nation's debt.

That is the reason we are here. We are not here for ourselves. We are here for our children and our grandchildren, and making certain that the America that they have, the future that they have, hope and opportunity that they have, is going to be greater than anything that we ever possibly could have imagined for ourselves.

Isn't that what preserving freedom for prosperity is all about? It is about making certain that we hand over freedom in good shape for another generation.

I will tell you, if you are looking at the debt clock, it's a pretty telling story—over $16.5 trillion. And yesterday, the per citizen share of that debt was $52,818. The per taxpayer share was $147,238.

I know there are some in this body who would like to turn the debt clocks off in the hearing rooms. They just want to ignore it, and supposedly it would go away and we wouldn't have to talk about it. We could just pretend that we do not have a spending problem in Washington, D.C.

Mr. Speaker, that is not reality. That is being completely divorced from reality. In order to defeat a problem, you have to admit that there is a problem. There is a problem with spending in Washington. There is a problem with our Nation's debt.

I support the good work that has been done by my friend from Indiana and encourage all to vote for H.R. 668.

Mr. VAN HOLLEN. Mr. Speaker, I yield myself such time as I may consume.

Listening to this debate on the floor you might think that this bill did something to reduce the deficit and the debt. Just in case anyone is confused, it does nothing to reduce the deficit and debt. It does ask for a calculation, which we agree with.

In fact, the gentlelady just did the calculation herself, which begs the question why you need to go through a bill to get somebody to do the calculation. In fact, this calculation changes, because as the gentleman and all of us have said, the deficit goes up. That number changes every day, and so you have got to do it every day.

The point is, we passed this a month ago. There is no objection to doing a calculation. But this bill does nothing, nothing to reduce the deficit. In fact, it is running up the deficit as we spend time, taxpayer time, right here on the floor of the House while we continue to ask for a vote, up or down vote, on our plan to replace the sequester so that we don't lose 750,000 American jobs.

Today will be the fourth time we have asked for this. Our Republican colleagues have not taken any action in this Congress, not one step, nothing, to replace the sequester.

That is what we should be dealing with. Not a bill that we passed a month ago, not a bill that the gentlelady did a calculation on the floor to achieve the result. Let's focus on jobs and reducing the deficit in a smart way, by targeting spending cuts in a smart way, but also getting rid of all those tax breaks that our colleagues seem so wedded to keeping in place.

With that, I yield 1 minute to the distinguished Democratic leader, the gentlewoman from California (Ms. PELOSI).

Ms. PELOSI. I thank the gentleman for yielding and for giving me this opportunity to support his proposal, the CHRIS VAN HOLLEN proposal, as our ranking member on the Budget Committee, a proposal that is fair, responsible, and balanced.

Mr. VAN HOLLEN has put forth an initiative that cuts spending responsibly, ends unnecessary and wasteful tax breaks for special interests, and advances the Buffett rule, ensuring that millionaires pay their fair share.

I think it is really important to note, as he did, that this will be yet another time we are coming to the floor asking for the Republican leadership to allow a vote in what they boast of as an open Congress, open to other ideas, that has blocked over and over again the mere consideration of Mr. VAN HOLLEN's proposal on the floor.

Instead, today, we are engaged in subterfuge. What can we do instead of doing what we really need to do and make it look as if we are doing something responsible? Yes, okay, let's get the calculation. But let's reduce that deficit. Let's reduce that deficit.

And it is important to note that this debate happens in a week that we will be taking up the continuing resolution. It has been 4 days since the sequester went into effect. The continuing resolution that the Republicans are putting forth is a bill that reinforces the sequestration.

So what does that do? The Federal Reserve chairman, Ben Bernanke, told Congress last week that cuts of this size, made this quickly, would hurt hiring and incomes, slow the recovery, cost the economy 750,000 jobs this year, and keep deficits larger than otherwise.

So we are not reducing the deficit by what is really happening on the major legislation coming to this floor last week and this week in terms of sequester and continuing resolution. That is what we should be doing—figuring out a way to get rid of the sequestration.

What does sequestration mean? Whatever its Latin roots, it equals job loss—750,000 by the estimate of the chairman of the Fed.

And what is the point of all of this? There is an answer. We already have agreed in the continuing resolution—the President and the Congress have agreed to $1.2 trillion in spending cuts. We all recognize we must reduce the deficit. We have all agreed to spending cuts of that magnitude. That was in addition to $400 billion of other spending cuts in the last term of Congress. So $1.6 trillion in spending cuts, which dwarfs the $600 billion, as significant as that is, in the expiration of the Bush tax cuts at the end of last year.

□ 1300

But we need more revenue, and there is a place to get it.

Our distinguished Speaker said there is $100 billion in tax loopholes that could be closed. I think there is more than that, but many of the deductions that we would want people to take to strengthen the middle class I think we should separate out from what the Republicans want to do. The Republicans in Congress are protecting tax loopholes and wasteful spending in the Tax Code, which increases the deficit instead of solving problems.

Instead of closing tax loopholes for Big Oil, the Republicans want cuts for little children in Head Start—Big Oil over little children. Instead of closing tax loopholes for corporations that ship jobs overseas, 750,000 jobs will be lost here because of the sequester and the continuing resolution that contains the sequester, which is a fix that we're in because of the refusal of the Republican leadership to close those loopholes. Instead of ensuring millionaires pay their fair share, our military readiness will be impaired. We have kids who won't get the proper training when they're put into harm's way unless the Defense Department can reprogram the money; and health care for America's military families will be cut.

So there is an answer to all of this, and that is that we need to stop the spending in our Tax Code. Everybody talks about reducing spending, as our colleagues on the other side of the aisle do, and we all agree that we need to reduce it. That's why the $1.6 trillion in spending cuts, and we can try to find more. But why can't we stop the spending on the Tax Code, the spending of tax giveaways? They're called ''tax expenditures.'' They cost the taxpayer.

If you are so concerned about how much the deficit is costing every individual American, why don't we calculate how much the tax break is for Big Oil, corporations sending jobs overseas—the list goes on and on—and how much those tax expenditures cost America's working families. They do so by increasing the deficit and by not creating jobs in our own country.

Again, there is an answer here. To be hopeful, we can come together to say, okay, we all agree: let's reduce the deficit, cut spending, make some changes—those that we can—without hurting beneficiaries in mandatory spending. But why are these tax loopholes for special interests such sacred cows for the Republicans, such sacred

cows that they will not even allow Mr. VAN HOLLEN's bill to come to the floor? Are they afraid of the debate? Are they afraid of the outcome of their vote?

With that, I thank the gentleman again for his leadership and for putting forth a balanced, fair proposal to reduce the deficit in order to avoid sequestration, which we didn't, and as a counter to what the Republicans are putting forth. It's more than a counter. It's about leadership. It's about what is possible if we can work together in a bipartisan way to get the job done for the American people.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore. The gentlewoman from California is reminded to address her remarks to the Chair.

Mr. MESSER. I yield myself such time as I may consume.

Mr. Speaker, let me make three quick points: first, as to the underlying merits of the bill, transparency matters. It matters that we let the American people know what is happening here. This calculation called for under the bill shows that in recent years we've been racking up $6,800 in debt for every American taxpayer each year. That's a lot of money; secondly, we've heard from folks on the other side of the aisle about the need to close loopholes. I would submit that there is broad consensus that we need major tax reform. There is broad consensus that the loopholes that our Tax Code is riddled with should go away. The question is: Then what do you do with the money that comes from those reductions? Do you put it back in the American economy to help grow the economy? The best way to balance our budget and get this House back in fiscal order is to have a growing economy with more taxpayers who can therefore pay additional tax revenue because they have a job,

There has been a lot of talk on the other side of the aisle about the need for a balanced approach, but that balanced approach seems to ignore the fact that we had a $600 billion tax increase that passed this body on January 1. The President promised in his campaign 4–1 spending reductions to tax increases. We're not yet even to 1–1, and we talk in this Chamber about balance.

Mr. Speaker, I yield 2 minutes to the distinguished gentleman from Florida (Mr. BILIRAKIS).

Mr. BILIRAKIS. Thank you, Mr. MESSER, and I appreciate you introducing this very good bill.

Mr. Speaker, Washington continues to spend money we don't have. As we all know, the Federal Government borrows nearly 46 cents on the dollar, much of it from China, and we are sending the tab to our children and our grandchildren. What a shame. Across America, working families have had to tighten their belts, and it is past time for Washington to do the same.

That's the bottom line.

Ignoring runaway deficits and out-of-control spending is not an option. With a national debt of more than $16 trillion, Mr. Speaker, every American now has a $52,000 share. We must control spending so Washington will not saddle future generations with burdensome debts that crowd out the private sector and lead to increased taxes and higher interest rates. The lack of fiscal discipline and the rising costs of the Federal debt have created a dangerous combination, necessitating action to prevent Washington from dipping into the bottomless cookie jar.

This legislation before us would simply require the President's budget submission to provide an estimate of the cost per taxpayer of the deficit the budget would run. This commonsense legislation forces us to face this fiscal danger with eyes wide open. I support this good bill, this effort by my colleague, and I urge my colleagues to do the same.

Mr. VAN HOLLEN. Mr. Speaker, may I ask how much time remains on both sides.

The SPEAKER pro tempore. The gentleman from Maryland has 9 minutes, and the gentleman from Indiana has 8 minutes.

Mr. VAN HOLLEN. I yield myself such time as I may consume.

Again, I have to remind people as they listen to this debate that this bill does nothing—zero—to reduce the deficit—nothing. All it does is ask for a calculation, which we've said we welcome and which one of our Members actually did on the floor of the House here as she gave her presentation, and it's that which we can all do. But by all means, let's say to the President, Put that calculation in your budget—even though that calculation is out of date 3 days after the budget is submitted if we don't get control of the deficit and do it in a smart way.

I agree with the gentleman when he says the best way to deal with the deficit is to grow the economy. That's what we should be focused on, which is why we're asking today—for the fourth time—for a vote on our proposal to replace the sequester so that we don't lose 750,000 jobs; 750,000 jobs is the number of jobs that were created between October of last year and January of this year. According to the Chairman of the Federal Reserve, if we continue to allow that sequester to remain in place, we will see one-third less economic growth.

Now, if you don't believe the nonpartisan, independent head of the Congressional Budget Office, who does professional work, and if you don't believe the Chairman of the Federal Reserve, who is not a partisan, maybe our Republican colleagues will believe the House Republican leader, Mr. CANTOR. Here is what he said on the floor of this House, not that long ago, with respect to the sequester:

''Under the sequester, unemployment would soar from its current level . . . '' He goes on to say that it would set back ''any progress the economy has made.'' He then referred to a study that said, '' . . . the jobs of more than 200,000 Virginians, in my home State, are on the line.'' That's Mr. CANTOR.

Here is what the Republican chairman of the Armed Services Committee said about a month ago. This is what Mr. MCKEON said when we got the numbers from the last quarter showing the economy was slowing, in part, in anticipation of these cuts.

□ 1310

Mr. MCKEON said:

> This is just the first indicator of the extraordinary economic damage defense cuts will do.

And that's just the defense cuts. You've also got these across-the-board cuts in important investments in biomedical research to try and find treatments and cures to diseases that hit families throughout this country. You're going to be putting people out of work who do that important research for our country. And at the end of the day, in addition to the furloughs and the disruption that will cause in the economy, throughout the entire economy, 750,000 fewer jobs will result at the end of the calendar year.

So why in the world are we debating a bill that we've already passed—I believe unanimously—1 month ago that does nothing about jobs, nothing about the deficit, rather than take up the proposal that we put forward to replace the sequester in a smart and balanced way, through targeted cuts, but also the elimination of these tax breaks. And the answer is, unfortunately, that our Republican colleagues, many of whom have signed that Grover Norquist pledge, have said that they're not willing to close one tax loophole for the purpose of reducing the deficit. Not one penny.

We hear all of the talk about reducing the deficit, but no, you can't take away one tax break for a corporate jet to reduce the deficit. You can't say to a hedge fund manager: you're no longer going to get a special tax preference if it means we're going to take that away so we can reduce the deficit. So if we're really concerned about the deficit, as we should be, let's get at it in a balanced way, and not in the sequester way, which will result in 750,000 fewer American jobs. That's what we should be focused on today, Mr. Speaker.

I reserve the balance of my time.

Mr. MESSER. Mr. Speaker, I think in this debate today, you're seeing two very different philosophies of how we move forward as a country: one side of the aisle, who believes that the key to America's future is raising taxes and growing government; and our side, who believes that the key to America's future is controlling spending and giving families tax relief now. Let's use tax reform to put more money in the pocket of the American taxpayer so they can spend it out in the economy.

The gentleman mentions the CBO many, many times over and over again and fails to mention that the leadership of CBO has said that a balanced

budget in the long term will help grow our economy by as much as 1.7 percent each year annually if we balance this budget. He cites Majority Leader CANTOR's statements on the sequester. We have virtual unanimity in this caucus that we need to replace the structure of those $85 billion in cuts, but our side of the aisle believes we need to replace them with other, more sensible budget reductions that get this government under control.

Mr. Speaker, with those comments, I yield 2 minutes to the distinguished gentleman from Wisconsin (Mr. DUFFY).

Mr. DUFFY. Mr. Speaker, I appreciate the gentleman for yielding.

My good friends across the aisle talk about loopholes and tax reform. They might forget that over the last 2 years, this House and this party have put forward legislation that does away with the loopholes as part of a larger tax reform proposal.

My friend across the aisle continually talks about a smart and balanced way to balance the budget. He talks about responsibility. But if you ask him, Mr. Speaker, for his legislation, when does the Democrat bill balance? When does their budget balance? It never does. Ask him: does it balance in 10, 20, 50 years? How about 100 years? Does your budget balance in 100 years? Never does it balance. That is not a balanced approach.

The Senate hasn't put forward a budget in 4 years. The President's budget, not one Democrat in this Chamber or the Senate voted for the President's budget. And that one, too, never, never balances. That's not a balanced approach. America deserves better.

But on this current legislation, America and Americans have a right to know how much their government is accumulating in debt in their name. Grandparents and parents, they have a right to know how much debt is going to be passed on to their grandchildren and their children. Those little preschoolers, those toddlers, those infants that are going to inherit this massive debt, they have a right to know. How about those young adults that are getting out of high school and tech school and out of college? They have a right to know as they look at their car loans, at their student loans, at that new house loan. They have a right to know how much they're going to inherit and pay back over the course of their working years for this irresponsible debt. Americans have a right to know.

This legislation is important because this is the first step to making sure that America knows the fiscal trouble we're in, and to encourage our friends across the aisle to get together and not use terminology of a balanced approach but actually give us a balanced budget.

Mr. VAN HOLLEN. Mr. Speaker, the American public does have a right to know. I don't know how many times we have to say this on the floor of this House: We passed virtually the identical bill 30 days ago, approximately, and I'm not objecting to this bill. People have a right to know. We should have transparency. We should reduce the deficit, and this bill does nothing to reduce the deficit.

What we need to do is make sure that we get our deficits under control, that we stabilize the debt, and that we make smart choices for the people in this country.

Yes, there is a difference of opinion. We believe that as part of reducing the deficit, we should make targeted smart cuts, but we should also cut some of those tax loopholes. Now the gentleman mentioned that we passed a tax increase on $600 billion over the next 10 years. That's right; we finally said, for higher income earners, you're going to go back to paying the same rates as you were during the Clinton administration.

But the gentleman suggested that budget history began on January 1 of this year. We were all here—not everybody, but most of us—when we passed the Budget Control Act in the summer of 2011. What did we do in that act? We capped spending—$1.5 trillion in spending reductions. That was the right thing to do. Now we've done $600 billion in revenue. So I think most people can do the math on this. We're not nearly close to the kind of ratios that the bipartisan commission, the bipartisan fiscal commission, Simpson-Bowles, we're not close to the balance that they talked about in terms of revenue and cuts, not even in the ballpark.

So let's focus on the fundamental question, which is, number one, getting the economy moving again, not losing 750,000 jobs this year, and then reducing our deficits in a smart and balanced way over a period of time. But yes, by all means, let's have the President do a calculation, which one of the earlier Republican speakers did on the floor of the House. We can all do that. Of course as indicated, that calculation changes day to day. But by all means, let's get it. But let's not pretend that this piece of legislation does one thing to create one job or reduce the deficit by one penny.

I reserve the balance of my time.

Mr. MESSER. Mr. Speaker, I yield 2 minutes to the distinguished gentleman from Indiana (Mr. YOUNG).

Mr. YOUNG of Indiana. Mr. Speaker, I rise today in support of my friend, neighbor, colleague, and fellow Hoosier, Mr. MESSER, and his bill, H.R. 668.

This legislation would require the President's budget proposal to make clear the per-taxpayer cost of any budget deficits. We have repeatedly heard President Obama proclaim his desire to have the most transparent administration in history. In furtherance of that objective then, this should be welcome legislation to all parties.

To many Americans and to many of my colleagues, Federal budgeting might seem like an abstraction, and thus unimportant because dollar amounts in terms of billions and trillions of dollars are beyond normal human comprehension. Most people just don't think in those terms. In fairness, most of us don't think in those terms, so let's clarify this process by bringing these numbers down to the individual level. Let's tell the American people, for example, under the President's last budget, you owe $7,000 just to cover the deficit. That resonates. Folks get that. The math is pretty simple. The median income in Indiana is around $45,000. Income and payroll taxes will eat up about $9,000 of that.

□ 1320

People will understand what it means when you tell them that, under the President's budget, you need almost 20 percent more per year per Hoosier just to balance the budget.

Now, this is important. Contrary to some of the things we heard earlier, maybe this bill will even help incentivize those who are drafting budgets in the future to put together budgets that actually balance at some point in the distant future so that we don't have to rely on these suboptimal cutting gimmicks, like the President's sequester, to, in some way, get spending under control.

We know revenue will double over the next 10 years. We know we have a spending problem, not a revenue problem in this country, so it's time the Federal Government—and the White House, in particular—comes clean about the direct impact of our Federal deficits on our Nation's families.

So I urge my colleagues to support this measure of good government by voting ''yea'' for H.R. 668.

Mr. VAN HOLLEN. Mr. Speaker, may I ask how much time remains on each side?

The SPEAKER pro tempore (Mr. STUTZMAN). The gentleman from Maryland has 2 minutes, and the gentleman from Indiana has 3 minutes.

Mr. VAN HOLLEN. Does the gentleman have any other speakers?

Mr. MESSER. I think we've got one more.

Mr. VAN HOLLEN. I reserve the balance of my time.

Mr. MESSER. Mr. Speaker, I yield 2 minutes to the distinguished gentleman from Indiana (Mr. STUTZMAN), another very good friend of mine, the third Hoosier speaking on this bill today.

Mr. STUTZMAN. Thank you to my friend from Indiana. This is, I believe, the fifth speaker from Indiana. Maybe we're getting something right in Indiana—I don't know what it is—but thank you for sharing this bill.

We do have a balanced budget in Indiana. We have made sure that we have taken care of the children in education, we've made sure that our law enforcement is taken care of, but we've also made those difficult choices early on that Washington could really learn from in budgeting.

So I appreciate Congressman MESSER for bringing this particular bill. It's a good government bill.

And I know the other side of the aisle is talking about the sequester. I find it ironic that the Washington Times today has a headline that says 400 more jobs are created, in spite of the sequester. So I don't believe that the sky is falling here.

This legislation requires the President to do some simple math and include with his budget, should he choose to submit one, an estimate of the cost of the deficit per taxpayer. Taxpayers just simply deserve to know how much they owe for Washington's out-of-control spending. After all, every dime that the Federal Government borrows is saddled on this generation and the next generation and generations to follow.

Right now, the cost of Washington's $16 trillion of national debt totals more than $147,000 per taxpayer. In fact, approximately every minute, Mr. Speaker, the Federal Government borrows another $4 million per minute, leaving this generation empty promises and massive debt.

This is no way to run a government. If the President refuses to break the cycle of bailouts, borrowing, and tax hikes, taxpayers deserve to know the true cost of the President's irresponsible decisions. The American taxpayers deserve transparency, and that's exactly what this bill does.

Mr. Speaker, I applaud my colleague from Indiana, and I thank him for bringing this bill to the floor. I urge the support of all of my colleagues here in the House of Representatives.

Mr. VAN HOLLEN. Mr. Speaker, it's always good to see a show of Hoosier unity on the floor of the House, and I look forward to joining my colleagues in voting for this bill.

The State of Maryland also has a balanced budget, but we also have a capital budget and other parts that we do differently.

Look, Mr. Speaker, I'm going to support this bill. I support transparency. I supported virtually the identical provision 30 days ago. That's really not the issue. Yes, we want more information, and we'll get it.

But the real issue here is the loss of jobs. Now, the previous gentleman mentioned that the Washington Times has an article saying more jobs were created. Thank goodness we are finally seeing more and more jobs created.

We will have economic growth. There will be jobs created. The question is how many fewer jobs we will have as a result of the sequester. The CBO hasn't said it will stop every job from being created.

What the Chairman of the Federal Reserve has said, and what the nonpartisan Congressional Budget Office has said, is that this sequester, if it remains in place through the end of the year, will be a drag on growth, so we will have fewer jobs created. In fact, they estimate we will have 750,000 fewer American jobs by the end of the year if we don't do something about the sequester.

So, Mr. Speaker, I'd just go back to the original question: Why take up something we've already done, already passed virtually unanimously, when we have a much more pressing issue and when we, today, will ask for the fourth time this year, when it counts, to vote on a bill that would replace the sequester in a smart and balanced way without the loss of jobs? That's the fundamental question. And why this House is shirking that responsibility and refusing to hold a vote on a proposal that would prevent the loss of 750,000 jobs is a question I think the American people are asking themselves.

So, Mr. Speaker, let's get on to the pressing business. Let's focus on jobs and really reducing the deficit and not playing these kind of games on the floor of the House.

I yield back the balance of my time.

Mr. MESSER. Mr. Speaker, I appreciate the gentleman's help and comments on this bill. It's a good government bill. It's transparency. It makes sure that taxpayers know how much the Federal Government is racking up on their dime, and I'm hopeful that it will pass.

The gentleman makes a very important point, that this bill is not the cure-all of the world, and we have lots of work to do. Far too many families in this economy have had to come home and deal with a job loss.

I remind everybody in this Chamber that the $85 billion that we're talking about in this sequester, while a lot of money, is 2 percent of our total Federal Government $3.6 trillion budget. It's two pennies on every dollar.

We agree that this sequester should be replaced; we disagree on how. Surely we can find two pennies to save instead of raising taxes and taking more money out of the pocket of the American taxpayer.

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

Ms. JACKSON LEE of Texas. Mr. Speaker, I rise to question H.R. 668, a bill to amend section 1105(a) of title 31, United States Code, to require that annual budget submissions of the President to Congress provide an estimate of the cost per taxpayer of the deficit. What does this bill accomplish—very little.

More specifically, H.R. 668 requires the President to submit the pro rata cost for taxpayers for any deficit projected in the President's budget for a given fiscal year.

While I support genuine bipartisan efforts to resolve our fiscal and budgetary issues, it is difficult to see how this bill proposes a productive use of the House's time and taxpayer dollars.

H.R. 668 appears to be a politically motivated bill aimed at placing blame on the President for our deficit issues rather than proposing a sound, bipartisan solution that would provide a balanced approach to turning our annual budgets deficits into surpluses.

This Congress cannot absolve itself of the duty to reach a bipartisan deal to mitigate the devastating effects of the sequester now imposed on the federal government.

We must remember that this sequester was intended to be harmful to our nation's progress in the eyes of both parties, in order to incentivize this Congress to make the difficult choices necessary to forge a sustainable economic future.

The cuts are arbitrary and are no substitute for sound policy: $42.7 billion in defense cuts (a 7.9 percent cut); $28.7 billion in domestic discretionary cuts (a 5.3 percent cut); $9.9 billion in Medicare cuts (a 2 percent cut); and $4 billion in other mandatory cuts (a 5.8 percent cut to nondefense programs, and a 7.8 percent cut to mandatory defense programs).

Each day that passes under the sequester, it imperils our security, our economic recovery, and our families across this nation.

From military readiness, to disaster and terrorism preparedness, to law enforcement and emergency responders, to education, to small business, to veterans care, to travel, to food safety, to vital research and innovation; there is virtually no facet of our way of life that will avoid being negatively impacted by the sequester.

Aircraft purchases by the Air Force and Navy are cut by $3.5 billion.

Military operations across the services are cut by about $13.5 billion.

Military research is cut by $6.3 billion.

The National Institutes of Health get cut by $1.6 billion.

The Centers for Disease Control and Prevention are cut by about $323 million.

Border security is cut by about $581 million.

Immigration enforcement is cut by about $323 million.

Airport security is cut by about $323 million.

Head Start gets cut by $406 million, kicking 70,000 kids out of the program.

FEMA's disaster relief budget is cut by $375 million.

Public housing support is cut by about $1.94 billion.

The FDA is cut by $206 million.

NASA gets cut by $970 million.

Special education is cut by $840 million.

The Energy Department's program for securing our nuclear materials is cut by $650 million.

The National Science Foundation gets cut by about $388 million.

The FBI gets cut by $480 million.

The federal prison system gets cut by $355 million.

State Department diplomatic functions are cut by $650 million.

Global health programs are cut by $433 million; the Millennium Challenge Corp. sees a $46 million cut, and USAID a cut of about $291 million.

The Nuclear Regulatory Commission is cut by $55 million.

The SEC is cut by $75.6 million.

The United States Holocaust Memorial Museum is cut by $2.6 million.

The Library of Congress is cut by $31 million.

The Patent and Trademark office is cut by $156 million.

This is neither the way to govern, nor is it a permissible path forward. We cannot continue along this path of perpetual, self-imposed destruction—moving from manufactured crisis to manufactured crisis without providing the American people with certainty and clarity as to the future.

In just three short weeks, the federal government faces another manufactured crisis; a shutdown that threatens to compound the effects of the sequester and further damage our

economy, making it harder for families to endure.

We must focus our efforts on working together to enact a continuing resolution in order to avoid a government shutdown, and to enact a plan that provides a healthy balance of revenues and spending cuts that will move us forward without devastating the middle class.

Bills that do not serve any ostensible practical purpose and are simply meant to advance an ideological position should not occupy the House's time, and the American people expect more of their elected representatives.

We must remember that the faces of those who are negatively impacted by the sequester are not of millionaires or billionaires; they are of average Americans who, through no fault of their own, have struggled through a tough economy and fiscal adversity.

As we work together to get our Nation's fiscal house in order, we should strive to carefully consider the impact of decisions—or in this case, the lack of decisions—on the millions of middle and low-income Americans who are counting on us to come to an agreement.

I look forward to working with my colleagues in Congress on both sides of the aisle on a long-term debt and deficit solution, and am confident that we can reach an agreement that will work for the benefit of all Americans.

Mr. COLLINS of Georgia. Mr. Speaker, I rise in strong support of this legislation and I thank the gentleman from Indiana for his continued leadership on this issue.

Last month, this administration stated that it was the most transparent in history. According to recent polls, only 26 percent of Americans agree.

H.R. 668 requires this administration, and future administrations, to include a cost-per-taxpayer calculation of the Federal deficit in their annual budget submission.

Transparency is not a political issue. Regardless of which side of the aisle we sit on, our constituents deserve to know how they are impacted by the decisions we make here in Washington.

This legislation removes the excuses from those who wish to pretend that our country is not facing a fiscal crisis. It replaces rhetoric with fact.

Hard-working men and women in my district, and across America, should know what our out-of-control spending here in Washington is costing them.

The administration recently released their budget for Fiscal Year 2013. It forecasts a $901 billion deficit this year alone.

My friends in the other body, on the other side of the aisle recently proposed a sequester replacement bill that would add $41.5 billion to the deficit in 2013. Over 10 years, the bill would add another $7.2 billion to the deficit.

Taxpayers deserve to know what such proposals would cost them individually. This is a commonsense bill that already passed the House in the form of an amendment. This isn't a political issue, it is reasonable and rational legislation that lets the American people know we can be serious about their financial future, and the financial future of the country.

I urge my colleagues to support this legislation.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Indiana (Mr. MESSER) that the House suspend the rules and pass the bill, H.R. 668.

The question was taken.

The SPEAKER pro tempore. In the opinion of the Chair, two-thirds being in the affirmative, the ayes have it.

Mr. MESSER. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The SPEAKER pro tempore. Pursuant to clause 8 of rule XX, further proceedings on this motion will be postponed.

STOP TOBACCO SMUGGLING IN THE TERRITORIES ACT OF 2013

Mr. GOODLATTE. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 338) to amend title 18, United States Code, to include certain territories and possessions of the United States in the definition of State for the purposes of chapter 114, relating to trafficking in contraband cigarettes and smokeless tobacco.

The Clerk read the title of the bill.

The text of the bill is as follows:

H.R. 338

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the ''Stop Tobacco Smuggling in the Territories Act of 2013''.

SEC. 2. TERRITORIES AND POSSESSIONS OF THE UNITED STATES INCLUDED IN THE DEFINITION OF STATE FOR THE PURPOSES OF THE PROHIBITION AGAINST TRAFFICKING IN CONTRABAND CIGARETTES AND SMOKELESS TOBACCO.

Paragraph (4) of section 2341 of title 18, United States Code, is amended by striking ''or the Virgin Islands'' and inserting ''the Virgin Islands, American Samoa, the Commonwealth of the Northern Mariana Islands, or Guam''.

The SPEAKER pro tempore (Mr. MESSER). Pursuant to the rule, the gentleman from Virginia (Mr. GOODLATTE) and the gentleman from Virginia (Mr. SCOTT) each will control 20 minutes.

The Chair recognizes the gentleman from Virginia (Mr. GOODLATTE).

GENERAL LEAVE

Mr. GOODLATTE. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks and include extraneous materials on H.R. 338, currently under consideration.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Virginia?

There was no objection.

□ 1330

Mr. GOODLATTE. Mr. Speaker, I yield myself such time as I may consume.

Cigarette trafficking is a very lucrative crime both here in the United States and abroad. It is estimated that illicit cigarettes account for over 10 percent of the more than 5.7 trillion cigarettes sold globally each year. Here in the United States alone, approximately 4 billion of the cigarettes sold each year are illicit.

Cigarette smuggling is generally carried out by large criminal organizations that take advantage of the significant disparity between the taxes levied on cigarettes across the States. These differences create a highly lucrative market for individuals to evade State and local sales taxes by purchasing cigarettes in one locality and transporting them to another for resale below market value. It is estimated that criminals can make a profit of as much as $1 million on just a single truckload of illicit cigarettes.

Cigarette smuggling is not just profitable for criminal networks; this crime also harms State and Federal revenues. According to the Justice Department, this illicit activity costs the States and the Federal Government an estimated $5 billion each year. This is money that could and should be put to better use.

In 2009, Congress took steps to curb contraband cigarettes with the Prevent All Cigarette Trafficking, or PACT, Act. The PACT Act prohibits the sale of cigarettes and other tobacco products over the Internet and made changes to the criminal anticigarette smuggling statutes.

H.R. 338, the Stop Tobacco Smuggling in the Territories Act of 2013, provides a technical correction to ensure that the criminal prohibitions against cigarette smuggling apply to the U.S. territories of American Samoa, Guam, and the Northern Mariana Islands just as they do in the rest of the country. Without this fix, cigarettes sold in these territories without evidence that taxes were paid do not fall within the definition of ''contraband cigarettes.'' This is a modest but important change that will help to discourage crime and increase tax revenues in these United States territories.

I want to thank Mr. FALEOMAVAEGA for his work on this issue, as well as the ranking member on the full committee and the subcommittee for their support of this effort, and the chairman of the Crime Subcommittee, Mr. SENSENBRENNER, as well, and I urge my colleagues to join me in support of this bill.

I reserve the balance of my time.

Mr. SCOTT of Virginia. I yield myself such time as I may consume.

Mr. Speaker, I rise in support of H.R. 338, the Stop Tobacco Smuggling in the Territories Act of 2013. This bill is simple and straightforward. It amends the Contraband Cigarette Trafficking Act by including American Samoa, the Commonwealth of the Northern Mariana Islands, and Guam in this act.

Currently, the Contraband Cigarette Trafficking Act makes it illegal to knowingly ship, transport, receive, possess, sell, distribute, or purchase 10,000 or more contraband cigarettes that do not have a State or territorial tax stamp. The act similarly applies to the sale of contraband smokeless tobacco