

the House to the Commission on Security and Cooperation in Europe:

Mr. CARDIN, Maryland;
Ms. SLAUGHTER, New York;
Mr. HASTINGS, Florida;
Mr. MCINTYRE, North Carolina.

REINING IN THE COST OF MEDICARE PRESCRIPTION DRUG ENTITLEMENT

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

Mr. FLAKE. Mr. Speaker, last week we heard projections that the prescription drug benefit is going to be far more expensive than we figured. Now, many of us never believed that it would cost just \$400 million, and the fact that it is much higher than that is not surprising at all.

I would encourage the President and our leadership to work with us to be able to rein in this monster that we have created.

Over a period of 75 years, the initial estimates were that this would add \$7 trillion in unfunded liabilities. I should point out that every dime to pay for this new benefit is borrowed. Therefore, every dime will be paid for by our kids and our grandkids.

It is time to get the bridle on the horse before the horse leaves the barn, and we need to work now, before this benefit starts next year, to make sure that we can reign in the costs.

Mr. Speaker, last week the White House released budget projections that show that the cost of the prescription drug benefit that Congress added to Medicare last year could balloon to \$1.2 trillion over the next ten years. The initial price estimate of the new entitlement was \$400 billion.

Frankly, the initial estimate of \$400 billion was more than many of us could stomach, but we knew that \$400 billion was a lowball estimate and the real cost was sure to be higher. Having said that, it gives none of us pleasure to say "see, we told you so."

When President Bush first proposed the new prescription drug benefit, it was targeted and means-tested for low-income seniors who did not currently have prescription drug coverage. President Bush's plan also coupled the new benefit with some needed reforms of the Medicare program.

It should come as no surprise that by the time Congress was done with the package, it looked nothing like the President's proposal. Congress expanded coverage to all seniors and yanked the reforms that would have helped curb future costs from the bill.

What does come as a surprise is President Bush's recent threat to veto any attempt by Congress to go back and fix our mistake.

Shortly after Congress passed the new prescription drug entitlement, and the initial cost estimate was already going up, I introduced a bill that would cap the cost of the program at the initial estimate of \$400 billion. If the cost overran the estimate, my bill would have required Congress to offset the difference or scale back the entitlement.

I plan to reintroduce that legislation shortly, and I urge Congress to take it up quickly. Whether or not Congress acts on this specific piece of legislation, we need to begin talking about ways to control the monster we created.

President Bush sent over a budget to Congress a couple of weeks ago that proposed cutting or killing over 150 programs. Of course, Members of Congress immediately began maneuvering to make sure that their pet projects did not get the axe. I think the President is on the right track by trying to pare back congressional spending and I will certainly be doing what I can to help him in that effort. However, the truth is that, compared to federal mandatory spending on entitlement programs like Medicare, Medicaid, and Social Security, Congress and President Bush are quibbling over pocket change.

If President Bush is serious about controlling federal spending, and I believe that he is, he ought to reconsider his threat to veto any attempt to pare back the prescription drug entitlement.

President Bush's initial prescription drug benefit was much more fiscally responsible than the proposal he signed into law. I hope that if there is an effort in Congress to make the prescription drug benefit look more like President Bush's original plan, he will embrace it rather than fight it.

SPECIAL ORDERS

The SPEAKER pro tempore. Under the Speaker's announced policy of January 4, 2005, and under a previous order of the House, the following Members will be recognized for 5 minutes each.

SMART SECURITY AND FISCAL YEAR 2006 DEFENSE BUDGET

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from California (Ms. WOOLSEY) is recognized for 5 minutes.

Ms. WOOLSEY. Mr. Speaker, the Bush's administration national security priorities are so out of balance that it is hard to know where to begin. Between the debacle in Iraq, the failure to address America's true homeland security needs and funding for research on new nuclear weapons, there are plenty of options to choose from.

Last October during the final Presidential debate before the November election, President Bush claimed that the gravest threat America faces is the threat of nuclear attack. Unfortunately, the President has done very little to address this threat.

One of the primary nuclear threats America faces is the development of such hostile weapons by countries like Iran and North Korea. That is why we need to engage these nations in aggressive diplomacy, not aggressive saber rattling.

Earlier this week, North Korea indicated that it wishes to hold bilateral talks with the United States, presumably to receive financial assistance in exchange for dismantling its nuclear

weapons program. Iran, on the other hand, feels threatened by recent whispers that the Bush administration might attempt a military assault on their nuclear weapons facilities.

We absolutely must negotiate with both countries. After using the U.S. military to take down Saddam Hussein, this President probably thinks that negotiations are beneath him; but I have got news for the Bush administration. Negotiations work and foreign assistance works. We need to start relying more on nonmilitary security tools to work out our international differences.

The other major nuclear threat comes not from foreign countries, but from terrorist organizations like al Qaeda. To address this threat, we must secure the nuclear stockpiles that are out there before they get into the hands of terrorists.

Most people agree that the best program to secure nuclear materials is the Cooperative Threat Reduction program, or CTR, which enlists the Department of Defense to dismantle nuclear warheads, reduce nuclear stockpiles, and secure nuclear weapons and materials in the states of the former Soviet Union.

CTR is crucial in keeping nuclear weapons out of the hands of terrorists. Terrorists know that it would not be difficult to steal material from poorly guarded nuclear plants in Russia. That is why it is important to increase our funding for CTR and provide funding to extend the program so that other regions of the world can be included.

Last year, the Cooperative Threat Reduction program received only \$409 million from the Defense budget, and the Department of Defense did not even use all of this money. We should triple or quadruple our funds and our efforts for CTR in the fiscal year 2006 budget, and we should extend this vital program to other countries where nuclear materials are not safely guarded, countries like Iran, North Korea, Libya, and Pakistan.

Instead of continuing down our current path, Mr. Speaker, I believe we must pursue a new national, smarter security strategy that I call SMART security, which is a Sensible Multilateral American Response to Terrorism for the 21st century.

I have also introduced H. Con. Res. 35, legislation that would pursue a smarter strategy for rebuilding Iraq. Twenty-eight of my House colleagues have joined me in offering this important legislation.

The immoral and ill-conceived war in Iraq has already claimed the lives of nearly 1,500 American troops. Another 11,000 have been gravely wounded as a result of this war, and the 150,000 soldiers that remain in Iraq are sitting ducks, sitting ducks for Iraq's growing insurgency. I am sure that many of these soldiers understand what our

President does not, that the military option is not working.

Yet the President and his administration refuse to consider alternatives to the way we are handling the situation in Iraq. Think about the good that could be accomplished if even a fraction of the billions that have been spent on military operations were instead spent on nonmilitary security.

We could help secure Iraq by rebuilding schools so that their children could learn, constructing new water processing plants so that the Iraqi people could have clean water to drink, and building new roads so that citizens can travel safely from one city to another.

Our assistance should not end there. If we want to be truly smart about how we rebuild Iraq, we also need to bring nongovernmental organizations and humanitarian agencies into this country to help create a robust civil society and ensure that Iraq's economic infrastructure becomes fully viable.

ECONOMIC REPORT OF THE PRESIDENT—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES (H. DOC. NO. 109-1)

The SPEAKER pro tempore laid before the House the following message from the President of the United States; which was read and, together with the accompanying papers, without objection, referred to the Joint Economic Committee and ordered to be printed:

To the Congress of the United States:

The United States is enjoying a robust economic expansion because of the good policies we have put in place and the strong efforts of America's workers and entrepreneurs. Four years ago, our economy was sliding into recession: The bursting of the high-tech bubble, revelations of corporate scandals, and terrorist attacks hurt our economy, leading to falling incomes and rising unemployment.

We acted by passing tax relief so American families could keep more of their own money. At the same time, we gave businesses incentives to invest and create jobs. Last year, we gained over 2 million new jobs, and the economy's production of goods and services rose by 4.4 percent. The unemployment rate is now 5.2 percent, which is lower than the average of each of the past three decades and the lowest since the attacks of September 11, 2001. Our pro-growth policies are taking us in the right direction.

As I start my second term, we must take action to keep our economy growing. I will not be satisfied until every American who wants to work can find a job. I have laid out a comprehensive strategy to sustain growth, create jobs, and confront the challenges of a changing America.

I am committed to restraining spending by eliminating government pro-

grams that do not work and by making government provide important services more efficiently. I have pledged to cut the deficit in half by 2009, and we are on track to do so.

The greatest fiscal challenges we face arise from the aging of our society. Because Americans are having fewer children and living longer, seniors are becoming a larger proportion of the population. This change has important implications for the Social Security system, because the benefits paid to retirees come from taxes on today's workers. In 1950, there were 16 workers paying into Social Security for every person receiving benefits. Now there are just over 3, and that number will fall to 2 by the time today's young workers retire. We will not change Social Security for those now retired or nearing retirement. We need to permanently fix the Social Security system for our children and grandchildren. I will work with the Congress to fix Social Security for generations to come.

The current tax code is a drag on the economy. It discourages saving and investment, and it requires individuals and businesses to spend billions of dollars and millions of hours each year to comply with the complicated system. I will lead a bipartisan effort to reform our tax code to make it simpler, fairer, and more pro-growth.

We are working to make health care more affordable and accessible for American families. The Medicare modernization bill I signed gives seniors more choices and helps them get the benefits of modern medicine and prescription drug coverage. We have created health savings accounts, which give workers and families more control over their health care decisions. We will open or expand more community health centers for those in need. To help control health costs and make health care more accessible, we must let small businesses pool risks across states so they can get the same discounts for health insurance that big companies get. We will increase the use of health information technology that will make health care more efficient, cut down on mistakes, and control costs.

Our litigation system encourages junk lawsuits and harms our economy, and the system must be reformed. I support medical liability reform to control the cost of health care, keep good medical professionals from being driven out of practice, and ensure that patient care—not avoidance of lawsuits—is the central concern in all medical decisions. I support class action reform to eliminate the waste, inefficiency, and unfairness of the class-action system. And I support reforms to the asbestos litigation system in order to protect victims with asbestos related injuries and prevent frivolous lawsuits that harm our economy and cost jobs.

I will continue to push for energy legislation to help keep our economy strong. We must modernize our electricity system to make it more reliable. To make our energy supply more secure, we must explore for more energy in environmentally friendly ways in our own country, develop alternative sources of energy, and encourage conservation.

I will work to further simplify and streamline federal regulations that hinder growth and encumber our job creators. Our economy needs to allow entrepreneurs to spend more time doing business and less time with their lawyers and accountants.

I believe that Americans benefit from open markets and free and fair trade, and I am working to open up markets around the world and make sure that the playing field is level for our workers, farmers, manufacturers, and other job creators. In the past four years, we concluded free-trade agreements with Singapore, Chile, Australia, Morocco, Bahrain, Jordan, and six countries in Central America and the Caribbean. My Administration will continue to work to expand trade on a multilateral, regional, and bilateral basis, and to enforce our trade laws to help ensure a level playing field.

I have a plan to prepare our young people for the jobs of the 21st century. We have brought greater accountability to our public schools and are working to improve our high schools. We have made Pell grants available to one million more students, and we will work to make college more affordable by increasing the size of Pell grants for low-income students. We are reforming our workforce training programs to help Americans obtain the skills needed for the jobs that our economy is creating.

I have an ambitious agenda for the next four years. During my first term, working with the Congress, I put policies in place to ensure a rapid recovery and to support strong growth. In my second term, together we will cut the budget deficit in half, fix Social Security, reform the tax code, reduce the burden of junk lawsuits, ensure a reliable and affordable energy supply, continue to promote free and fair trade, help make health care affordable and accessible for American families, and expand the quality and availability of educational opportunities. These policies will produce an economic environment that continues to unleash the creativity and energy of the American people.

GEORGE W. BUSH.
THE WHITE HOUSE, February 2005.

ORDER OF BUSINESS

Mr. CAMP. Mr. Speaker, I ask unanimous consent to take my Special Order at this time.