

take responsibility to pay those bills tonight? Or are we going to vote to go into default, to not meet our obligations, to stop our Social Security checks to the elderly or retirement checks and medicare payments?

It is time to gather Republicans and Democrats to pay our bills, to look out for our seniors and to vote yes on this debt ceiling.

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

Ms. JACKSON-LEE of Texas. Mr. Speaker, I rise today thoroughly discouraged with the current proposal to increase the public debt limit by a staggering \$800 billion. If this proposal is allowed to pass the American people will inherit a budget system that allows the federal deficit to grow to \$8.18 trillion. This kind of economic maneuvering is not only dangerously foolish, it is in fact unethical. There is a reason why we have a federal debt limit, because incurring too much debt ruins our ability for long-term growth, by adding an additional \$800 billion to the debt limit we are only laughing at the idea of fiscal constraint. This proposal being considered by this body only continues the fiscal irresponsibility of the Bush administration and this Republican Congress.

This administration has tried to say that deficits don't matter; we know that that is simply not true. History has proven that chronic deficits threaten our economic strength by crowding out private investment, driving up interest rates, and slowing economic growth. Indeed foreign investment in the United States has dried up because foreign investors have no confidence in the Bush economic agenda. This administration's irresponsible budget policies have turned a surplus into a large deficit that is choking off growth in the American economy.

President Bush likes to say his budget is geared towards tax cuts for all Americans. When in fact the average American won't receive a substantial tax cut, but will instead be hit with a tax hike in the form of an ever-growing deficit. A large deficit means taxpayers have to shoulder the costs of paying the interest on this new national debt. The end result will be a debt tax on the great majority of Americans. This will be a tax on lower and middle class Americans; it will be a tax on the elderly and most unfortunately it will be a tax on our children. The truly sad part of the President's economic policies is that while they are bad for America today they are even worse for future generations of American taxpayers.

Today, we celebrated the opening of the Bill Clinton Presidential Library in Little Rock, Arkansas. One of President Clinton's greatest achievements was the fact that he led his country through one of our most economically prosperous periods and furthermore he took our large public debt built up through 12 years of Republican administrations and actually turned it into a surplus. It saddens me that while that was one of President Clinton's greatest achievements, it will not be one of his most lasting due to the irresponsible and misguided fiscal policies of the Bush administration. Republican mismanagement has turned large projected surpluses of over \$5.6 trillion into huge projected deficits of more than \$3.5 trillion. The difference in only a few years is staggering and ultimately reckless. The large public debt could be significantly reduced by

instituting the pay-as-you-go (PAYGO) system that applies to tax cuts as well as mandatory spending. These PAYGO enforcement rules were so effective in the 1990s at reducing our deficit and making our way towards a surplus. Democrats in Congress have time after time supported the reestablishment of these effective rules, but it seems no one on the other side of the chamber is listening.

These Republican policies will double the current debt in 10 years. The CBO projects that the debt subject to limit will continue to rise, reaching \$13.272 trillion by 2014 if there is no change in current Republican budget policy. Accounting for the implementation of administration policies, such as making permanent the expiring tax cuts, the government will incur about \$6.2 trillion in additional debt between now and 2014, raising the statutory debt to a projected \$14.5 trillion, nearly double the current \$7.384 trillion limit. These figures are astounding in their size, but truly they are saddening in their effect. Our children will bear the burden of this fiscal insanity. We can raise the debt limit today with little effect, but we are only postponing the inevitable. At some point all accounts have to be paid, unfortunately by then it will be our children who will be left with this oversized bill.

Mr. VAN HOLLEN. Mr. Speaker, as we prepare to convene the 109th Congress, one of our top priorities should be getting our fiscal house in order. Unfortunately the Republican leadership is sending us in the wrong direction. The House voted recently to raise the debt limit by a total of \$800 billion. The vote to raise the debt limit for a third time in 3 years is a direct consequence of the reckless fiscal policy pursued by the Republican leadership over the last few years.

A key step to putting America back on the path to financial security would be re-implementing pay-as-you-go policies. The House Republican leadership blocked efforts to restore these rules. Using pay-as-you-go rules, the Clinton administration helped turn a \$290 billion budget deficit in 1992 into budget surpluses in 1998, 1999, and 2000. As a result, the Clinton administration was successful in paying down \$362 billion in publicly held debt. However, in 2002, the Republican leadership let the pay-as-you-go rules expire and once again we are facing endless budget deficits and soaring national debt.

Debt increases have serious consequences for American families. At a time when the House leadership is promoting more and more tax cuts that disproportionately benefit the wealthiest Americans, increased budget deficits create an enormous debt that will mortgage our future. While a few are benefiting disproportionately from certain Bush tax cuts, all Americans will pay the consequences through the rising "debt tax."

Throughout our history, every generation of Americans has worked to leave our children a world that is stronger and more secure than the one that was left to us. That is our legacy and it should also be our commitment. It is simply wrong to run up a debt on our national credit card and leave our children to pay the bill. We must take personal responsibility to return our Nation to fiscal responsibility.

Mr. PAUL. Mr. Speaker, Congress is once again engaging in fiscal irresponsibility and endangering the American economy by raising the debt ceiling, this time by \$800 billion. One particularly troubling aspect of today's debate

is how many Members who won their seats in part by pledging never to raise taxes will vote for this tax increase on future generations without so much as a second thought.

The term "national debt" really is a misnomer. It is not the Nation's debt. Instead, it is the Federal Government's debt. The American people did not spend the money, but they will have to pay it back.

Most Americans do not spend much time worrying about the national debt, which now totals more than \$8 trillion. The number is so staggering that it hardly seems real, even when economists issue bleak warnings about how much every American owes—currently about \$25,000. Of course, Congress never hands each taxpayer a bill for that amount. Instead, the Federal Government uses the people's hard-earned money to pay interest on this debt, which is like making minimum payments on a credit card. Notice that the principal never goes down. In fact, it is rising steadily.

The problem is very simple: Congress almost always spends more each year than the IRS collects in revenues. Federal spending always goes up, but revenues are not so dependable, especially since raising income taxes to sufficiently fund the government would be highly unpopular. So long as Congress spends more than the government takes via taxes, the Federal Government must raise taxes, print more dollars, or borrow money.

Over the past 3 years, we have witnessed an unprecedented explosion in federal spending. The national debt has actually increased an average of \$160 billion a day since September 30, 2003.

Federal law limits the total amount of debt the Treasury can carry. Despite a historic increase in the debt limit in 2002 and another increase in 2003, the current limit of \$7.38 trillion was reached last month. So Congress must once again vote to raise the limit. Hard as it may be for the American people to believe, many experts expect government spending will exceed this new limit next year.

Increasing the national debt sends a signal to investors that the government is not serious about reining in spending. This increases the risks that investors will be reluctant to buy government debt instruments. The effects on the American economy could be devastating. The only reason why we have been able to endure such large deficits without skyrocketing interest rates is the willingness of foreign nations to buy the Federal Government's debt instruments. However, the recent fall in the value of the dollar and rise in the price of gold indicate that investors may be unwilling to continue to prop up our debt-ridden economy. Furthermore, increasing the national debt will provide more incentive for foreign investors to stop buying federal debt instruments at the current interest rates. Mr. Speaker, what will happen to our already fragile economy if the Federal Reserve must raise interest rates to levels unseen since the seventies to persuade foreigners to buy government debt interests?

The whole point of the debt ceiling law was to limit borrowing by forcing Congress into an open and presumably somewhat shameful vote when it wants to borrow more than a pre-set amount of money. Yet, since there have been no political consequences for Members who vote to raise the debt limit and support the outrageous spending bills in the first place, the debt limit has become merely another technicality on the road to bankruptcy.

The only way to control federal spending is to take away the government's credit card, which will force Congress to control federal spending. Therefore, I call upon my colleagues to reject S. 2986 and, instead, to reduce government spending. It is time Congress forces the Federal Government to live within its constitutional means. Congress should end the immoral practice of excessive spending and passing the bill to the next generation.

Mr. ETHERIDGE. Mr. Speaker, I rise in opposition to this legislation, and I urge my colleagues to join me in voting "no." Congress and this administration simply must end the reckless and irresponsible budget path we are currently on.

Early next year, my wife Faye and I expect to become grandparents for the first time. While this is an exciting time for our family, I shudder to think that our Nation's legacy to that child is going to be the largest national debt ever bequeathed to a generation in this country's history. That is wrong. It is immoral. It violates to the core our most basic values of responsibility to one another.

The current administration and the Republican leadership has run up a massive national debt of \$7.4 trillion and growing with no end in sight. Each newborn child now inherits \$85,000 in debt. This so-called "baby tax" is wrong and is building inflation into our economy that poses catastrophic danger to our Nation's economic prosperity.

America must return to the values of balanced budgets and put our fiscal house in order. As someone who hails from a conservative state, I fail to see what at all is conservative about refusing to pay one's bills.

Mr. Speaker, Congress must reject this legislation and return to policies of budget sanity and economic growth so that every individual willing to work hard can make the most of his or her God-given abilities and live the American dream.

Mr. SHERMAN. Mr. Speaker, I recognize that we need to raise the debt limit this week. I vote against S. 2986 not for the purpose of causing the United States to default, but rather for the purpose of forcing a serious debate on fiscal policy.

I am confident that if this motion were to be defeated, Congress would in effect go into emergency session to deal with the fiscal issues that are before us.

Mr. MEEHAN. Mr. Speaker, I rise today to oppose increasing the debt limit without putting in place any plans or mechanisms to bring our budget into balance.

"Increasing the debt ceiling" is a technical term for what Congress is actually doing today—we've spent another \$800 billion we didn't have, and now we're forced to borrow that amount of money from our children. The national debt, already \$7.4 trillion, will soon rise to more than \$8.1 trillion because of the irresponsible borrowing and spending of the Republican Congress.

Today marks the third time in the last 3 years that the Republican Congress has been forced to raise the debt ceiling. It's the moral equivalent of applying for a credit card in your child's name, running it up all the way, raising the credit limit, charging more money on it, raising the limit again, charging even more money, and raising the limit one more time. Only Congress is doing it on a much larger scale.

It's a fact that the biggest cause of the red ink is tax cuts—tax cuts that went overwhelmingly to the highest income brackets and failed to create jobs. The second biggest cause is the Republican Congress's addiction to unrestrained spending.

Ten years ago, the Republican Party took power in Congress promising to restore fiscal responsibility and balance the budget. I was proud to work with President Clinton and my Republican colleagues to achieve a historic balanced budget agreement in 1997.

In the 1990s, working under PAYGO budget constraints, we balanced the budget, lowered interest rates, grew the economy, and charted a course to a debt-free America. In January 2001, the Congressional Budget Office estimated that we'd be able to pay off the entire debt of the United States by 2011.

But over the last 4 years, Congress has veered onto a different course; \$5.6 trillion in projected surpluses have turned into \$5 trillion in projected deficits. The dream of a debt-free America has vanished—today, about 40 percent of our mounting debt is in foreign hands. That is the legacy of this Republican Congress—giveaways to special interests, tax cuts for the very wealthy, historic levels of borrowing, all leading to a diminished future for our children.

I urge my colleagues to support the Stenholm amendment to restore fiscal and moral responsibility to Congress and oppose another yet increase the debt limit.

Ms. LORETTA SANCHEZ of California. Mr. Speaker, I rise today in opposition to S. 2986, a bill that will increase the debt limit of the U.S. Federal Budget from \$7.4 trillion to \$8.2 trillion.

Why am I voting against this bill? I am following a basic rule that families in my district, and throughout the country follow—don't spend money you don't have.

When my constituents sit down and look at their credit card bills, they don't say, "Oh look, I'm in debt. I guess I better spend more." No, they think about where they can save money, in big and small ways. And they prioritize. And maybe, if there is something that they really need, they decide to work a little overtime next to add some more money to the balance.

That is exactly how government needs to function. Government needs to exercise fiscal responsibility. Government needs to spend within its means, or raise more money to finance unmet needs.

The Republican majority, unfortunately, does not seem to understand this basic principle. It increases federal spending—more than any other government in recent history—and it simultaneously cuts taxes. They want to have their cake and eat it too.

It is the time for the majority to start practicing what they preach about fiscal discipline. It needs to keep an eye on both the spending and revenue columns in the ledger. It needs to prioritize and economize, particularly in the areas where we are spending the most.

Let's be realistic. Families can't balance their budgets by spending dollars and saving pennies, they need to make real economies.

Similarly, we can't balance the budget on the back of domestic spending. Comparatively speaking, domestic spending makes up an insignificant part of our budget. If Congress really wants to balance the budget, it is going to have to look at entitlements, interest on debt, defense spending, and we're going to have to think twice about projected tax reductions.

The future fiscal health of the United States is in our hands. I urge my colleagues to be more responsible with the money of the taxpayers of this country. There are no more excuses.

Mrs. JONES of Ohio. Mr. Speaker, for the third time since President Bush took office, Republicans will increase the federal debt limit. This year, Republicans will increase the debt limit by \$800 billion. This would allow borrowing to reach \$8.2 trillion—\$8.2 trillion. Where has the fiscal responsibility gone?

This year the deficit will hit a record \$412 billion. Over the last 4 years the federal debt has ballooned by \$1.4 trillion. Because there appears to be no end in sight to the annual budget deficits, the new debt ceiling will probably have to be raised again next year.

One would think that faced with this huge debt problem our friends on the other side of the aisle would want to reinstate "pay-as-you-go" rules as we, Democrats, have been advocating. But, unbeknownst to me and the American public—who are paying attention because they are the ones carrying this heavy debt burden—Republicans refuse to adopt "pay-go" rules.

These are the same "pay-go" rules that played a key role in balancing the budget in the 1990s under the Clinton administration. The Republicans' refusal to adopt "pay-go" does not make any sense.

If we have to increase the debt limit, then we should do so along with fiscally responsible "pay-go" rules that would stop Republicans from putting Americans deeper and deeper into debt. It is hard-working American people that are the victims of this growing, out of control debt. An average American family of four bears a debt burden of about \$100,000—\$100,000.

Something has to be done. At some point we will have to stop these massive increases in the federal debt. At some point we will have to make room to adequately fund our children's education, our brave troops, Social Security.

Republicans do not seem to understand that the larger our federal debt becomes, the less room there is to fund these important programs. This body should bear that in mind as we vote tonight.

The American people are watching.

Mr. STARK. Mr. Speaker, I rise today in opposition to S. 2986, a bill that increases the federal debt limit by \$814 billion while doing nothing to ensure a return to fiscally responsible economic policy. If we continue to spend at the current rate while giving tax cuts to the wealthiest Americans, our national debt will top \$8 trillion in the very near future.

Just weeks ago, President Bush and many Republican candidates across the country were campaigning on a platform of fiscal responsibility and cutting the deficit in half during the next 4 years. Now that they've won the campaign, that rhetoric is gone and their actions today—increasing the debt limit for the third time in 4 years—certainly don't meet their election promises.

We could have had a real debate today about re-implementing the pay-as-you-go rules that led to historic surpluses at the end of the Clinton administration. That would be a real move toward fiscal responsibility. Instead, Republicans are giving themselves the freedom to further reduce tax revenue while funding an ill-conceived war in Iraq, and claiming they just