

NEW CBO DEFICIT NUMBERS -- (House of Representatives - January 27, 2004)

The SPEAKER pro tempore. Pursuant to the order of the House of January 20, 2004, the gentleman from New Jersey (Mr. *Pallone*) is recognized during morning hour debates for 5 minutes.

Mr. PALLONE. Mr. Speaker, yesterday the nonpartisan Congressional Budget Office once again confirmed that President Bush is the most fiscally irresponsible President in our Nation's history. Yesterday CBO forecast a budget deficit for the 2004 fiscal year of \$477 billion, the largest deficit in history. Furthermore, CBO said the overall Federal deficit will total nearly \$2.4 trillion over the next decade. That is nearly \$1 trillion worse than what CBO forecast last fall.

After the estimates were released, Treasury Secretary John Snow commented from London that the administration remains committed to deficit reduction, stating, "Make no mistake; President Bush is serious about the deficit."

Mr. Speaker, who is Secretary Snow trying to fool? President Bush being serious about the deficit? This is the same President Bush who inherited a \$5.6 trillion surplus from President Clinton. Over the past 3 years, thanks mainly to three large tax breaks primarily benefiting America's millionaires, President Bush has presided over an \$8.5 trillion fiscal collapse.

And our Nation's fiscal situation could get even worse this year if Congress continues to listen to President Bush and the House Republican leadership. That is because CBO's estimates only take into account existing policies.

And just last week, during the State of the Union address, President Bush asked Congress to make all his fiscally irresponsible tax policies permanent. Last

year CBO estimated that such action would cost the Federal Government an additional \$1 trillion.

The President also once again proposed partially privatizing Social Security at an additional expense of at least \$1 trillion in extra funds over the next decade, and that is \$2 trillion right there to add to the already gloomy deficit forecast. And this is not even including the \$700 billion the President wants to spend for a mission to Mars, the \$50 billion that the President will propose for the continuing war in Iraq, and the \$1.5 billion throwaway to the far right in his party to help train couples to develop better interpersonal skills that sustain ``healthy marriages."

Based on these facts, how can Secretary Snow say that President Bush is serious about the deficit?

Let us be clear. It is the policies of President Bush and my Republican colleagues that have put us in this situation. Democrats do not control the White House. Democrats do not control the Congress, either the House or the Senate. And yet I would not be shocked if conservative Republicans do not come to the floor today and try to blame Democrats for the fiscal mess our Nation now faces.

Clearly, Mr. Speaker, President Bush now sees the huge budget deficit as a threat to his reelection campaign, and that is why he vowed to cut the deficit in half over the next 5 years during his State of the Union address last week. But we might be asking ourselves how the President plans to cut the deficit in half with the more than \$2 trillion in tax cuts and other new spending he wants Congress to approve this year. The President and Republicans will say holding down domestic spending to 1 percent during the next year will put a huge dent in the deficit, but that is simply not the case, considering that domestic spending only amounts to 17 percent of all the Federal spending expected this year.

The bottom line, Mr. Speaker: The fiscal record of the Bush administration and congressional Republicans is clear. As long as Republicans control the Federal budget, our Nation's fiscal future is seriously in question; and in order to prevent a total fiscal collapse, it is time for President Bush and my Republican colleagues to face reality and repeal the President's tax cuts for the very wealthiest Americans.

It is time President Bush and congressional Republicans stand with our Nation's children, who will be forced to bear the brunt of the cost of their fiscal irresponsibility. It is time the President and congressional Republicans stand with our Nation's seniors and baby boomers that need Social Security and Medicare strengthened and not raided.

Yesterday's CBO report should serve as a wake-up call to Washington Republicans. And let us hope they finally listen to the alarms before this mess gets even worse.