

**Transcript of Floor Statement by Senate Budget Committee Chairman
Kent Conrad (D-ND) in Support of Offsetting AMT Patch
December 18, 2007**

I thank the Chairman. I say to the Senator from Iowa when he tells us that we should stop beating a dead horse, the picture he used shows that Trigger rides again. That wasn't a dead horse. That horse is alive, and as well it should be, because the underlying question is whether we pay for anything in this Chamber or do we borrow the money?

When we borrow the money, do we borrow it from the Chinese and the Japanese, or do we start paying our bills right here at home? That is the issue before the Chamber. It is not a question of a dead horse or a live horse. It is a fundamental question of whether we pay our bills or put it on the charge card.

The issue before us is very simple. If we do not offset the alternative minimum tax or alter it in some way, it will hit 23 million American families, up from some 4.2 million this last year.

The bill before us says, yes, adjust the alternative minimum tax so more people are not hit by it, but it also says something very important. It says pay for it; don't go out and borrow the money, don't go out and borrow billions more from China and Japan.

The House has it right. We ought to pay for it. Certainly it makes no sense to let the alternative minimum tax sweep up millions more people, but it also makes no sense to fail to pay for it.

That is not just my view; that is also the view of the former Chairman of the Federal Reserve (Alan Greenspan) who said on ABC's weekend program in response to a question from George Stephanopoulos, the question was put to the Chairman: "So when the Congress this week fixes this patch in the alternative minimum tax and doesn't pay for the increase in the deficit, that is something you're against?"

Mr. Greenspan: "Yes."

No qualifications, a simple clear statement in support of paying for fixing the alternative minimum tax.

Why is paying for it so important? Because if we fail to do so, we put it on the debt, and already the debt has skyrocketed under this administration, from \$5.8 trillion in 2001 to, at the end of the fiscal year that just ended, a debt of \$8.9 trillion.

Future generations will look back on this one. Perhaps they will be amused by the debate tonight. They will not be amused by the debt we leave them. This generation will not be known as the greatest generation. This generation will be known as a greedy generation, a self-oriented

generation, one that was not responsible with the people's money.

Some of my colleagues claim we never intended to raise this money, that it was no part of any budget, that it was not part of any revenue projection. I beg to differ. As Chairman of the Senate Budget Committee, I can tell you that these revenues have been in every budget written by this President, and written by the Congress, whether controlled by the Republicans or the Democrats. The only way any of these budgets have balanced was to assume this revenue which is the law of the land would either be collected or would be offset, would be paid for.

This chart shows the revenue assumptions in the Bush budget. We find alternative minimum tax revenue assumed for each and every year of the five years of this budget.

I won't belabor the point. This is a question of whether we are going to be responsible. This is an opportunity to fix the alternative minimum tax, to prevent it from being spread to 23 million American families, but to do it in the responsible way: to offset it with other revenue so it does not get added to the deficit, so it does not get added to the debt, so we are not compelled to borrow even more billions from the Japanese and the Chinese and around the world.

I hope my colleagues will vote "aye" and demonstrate their fiscal responsibility tonight.