

**Transcript of Floor Statement by Senator Kent Conrad (D-ND)
Prior to Budget Conference Meeting on FY 2005 Budget Resolution
March 31, 2004**

I thank the Chairman, and I thank the Chairman for his courtesies again as we have gone through the process. I think because we both worked together productively yesterday, we came to a reasonable conclusion about how to proceed today.

I want to thank the Chairman for his patience yesterday as we worked through a number of issues with a lot of colleagues to avoid many more votes that, in my judgment, would have been unnecessary and not advanced the ball in any constructive way. So I thank the Chairman for his patience yesterday.

I was somewhat surprised to read in the *New York Times* this morning comments of certain House Republican leaders, specifically the Majority Leader, yesterday about where we are headed in this country with these massive deficits. We have the largest deficits in the history of the country by almost any measure, and we see going forward deficits even much larger than these as the baby boomers retire, which is of much greater concern to this Senator. That is the course the President is taking us on. In my judgment, it is a reckless course and a course that will threaten the economic security of this country for a long period of time.

So this morning when I read the *New York Times* and I saw that Republican Congressman DeLay of Texas, the Majority Leader in the House, "...restated a view that has been cited by other Republican House leaders: tax cuts pay for themselves by generating economic growth that more than makes up for lost revenue."

Mr. DeLay went on to say, "We, as a matter of philosophy, understand that when you cut taxes, the economy grows, and revenues to the government grow. The whole notion that you have to cut spending in order to cut taxes negates that philosophy, so I'm not interested in something that would negate our philosophy."

I am a lot less interested in philosophy than I am in what works in the real world. The philosophy that Mr. DeLay has espoused, and others have as well, that somehow taxes are cut and that produces more revenue, the problem is it has not worked. Let's be direct. Let's go back to what the Congressional Budget Office told us back in 2001. Looking forward, they said there was a range of possible outcomes with respect to the budget surpluses. Remember then they were telling us we were going to have these massive budget surpluses, but they said there was a range of possible outcomes expressed. By this chart, I call it the fan chart, the forecast that was adopted was right in the middle of this range of possible outcomes.

Now, this is how this is relevant to what Mr. DeLay is telling us. I was told by a Republican colleague, a Senator, 'You are being much too conservative. Do you not understand that these surpluses are going to be bigger than CBO is forecasting because of the tax cuts?'

I was told repeatedly by my Republican colleagues when I warned them that betting on a 10-year forecast of these surpluses was risky, that it was dangerous, that it was unlikely that it

was going to be such a rosy scenario, and over and over again my Republican colleagues told me, 'Senator, you are too conservative. Do you not understand that when taxes are cut, there is more revenue? Do you not understand these surpluses, after we pass the tax cut, will be even bigger than the Congressional Budget Office has forecast, even bigger than the President's Office of Management and Budget has forecast?'

I said, 'Well, that is a nice theory but I do not believe it. I do not think we are going to wind up with bigger surpluses because of these tax cuts. In fact, I think we are going to find the surpluses evaporate,' and I said so dozens of times on the Senate floor. I said so dozens of times in the Budget Committee.

Now we can go back and check the record. Let's see what happened in the real world, not based on some philosophy, not based on some ideology. Here are the range of projected surpluses the Congressional Budget Office told us about. The midline is their official forecast.

We passed the tax cuts. In fact, we have passed three rounds of tax cuts. Did we get more revenue and, as a result, did we get even bigger surpluses, which is what our Republican friends told us was going to happen? No. Here is what has happened in reality. This is the red line. With all the tax cuts, we have wound up with not surpluses but deficits. So the philosophy that apparently was the guiding hand, that said cut taxes and there will be more revenue, and as a result even bigger surpluses, did not work in the real world.

In the real world, what we got was not surpluses but massive deficits. What we got in the real world was not a tax-cut-driven surge in surpluses, what we got is massive record deficits. So everybody is entitled to their own philosophy, everybody is entitled to their own ideology, but all of that gets measured against what happens in the real world.

What has happened in the real world is the surpluses have evaporated and now we have record deficits. All of these claims by our friends, that if we had just had this massive package of tax cuts we would get more revenue, we would get more surpluses, did not work out. It did not work out.

So now I say to my friends, we better get serious about getting this train back on the track because we are headed for very big trouble.

If we look at the record on deficits over a very long period of time going back to 1969, here is what we see: Under the President's plan, we have now seen the deficits absolutely skyrocket. This theory that we were going to get more revenue and bigger surpluses did not work out. Instead, we got a massive increase in deficits and a massive increase in debt. Some of our friends on the other side say not to worry, that as a share of the gross domestic product the deficits are not as big as they have been in the past.

I say to my colleagues, if one does a fair analysis of the operating deficits of the country - that is, take out Social Security instead of using Social Security funds to float this boat; do as the law requires when calculating the deficits and not include the Social Security funds and look at this budget on an operating basis -- what we find is that as a share of GDP, the deficit this year

has been only exceeded once since 1947. That was back in 1983, when it was 6 percent of gross domestic product. Now it is 5.5 percent. Those who seek to minimize the size of these deficits by this claim are misleading the American people as to the true fiscal condition of the United States.

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If we look ahead, look over just the next few years, what we see, under the President's own calculations, the deficit as a share of our Nation's income is even going to get larger. These are record deficits. As we can see, even as a share of the national income, this deficit is the second highest it has been since World War II, only exceeded by 1983.

Interestingly enough, I would say to my colleague, in 1983 the Social Security surplus was only several hundred million dollars... Now the Social Security surplus is \$160 billion, and under the President's plan, under the Republican's plan, they are taking every dime of Social Security money and using it to pay for tax cuts and using it to pay for other expenditures.

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We look at each of these budget proposals from the other side and, under any one of them, they are going to add \$3 trillion to the national debt over the next 5 years. And the next 5 years is the good times. After that, the baby boomers retire and the full cost of the President's tax cuts explode. Then you see the real effect of these policies.

Frankly, I am less concerned about the deficits we face in the near term. I am much more concerned that under the President's plan we don't see any end to these deficits. In fact, the additions to the debt absolutely explode and at the worst possible time, right before the baby boomers retire.

The President has said it is the slowdown in the economy that is the problem. The Congressional Budget Office issued a report just the other day. This is the *New York Times* report on the CBO research. It says, "When President Bush and his advisers talk about the widening Federal budget deficit, they usually place part of the blame on economic shocks ranging from the recession of 2001 to the terrorist attacks that year. But a report released on Monday by the nonpartisan Congressional Budget Office estimated that economic weakness would account for only 6 percent of a budget shortfall that could reach a record \$500 billion this year...The new numbers confirm what many analysts have predicted for some time: That budget deficits in the decade ahead will stem less from the lingering effects of the downturn and much more from the rising Government spending and progressively deeper tax cuts."

Our friends on the other side of the aisle don't want to talk about the effect of the tax cuts. That is missing in action as part of the contributor to these massive deficits. The fact is, deficits are the creation of the relationship between spending and revenue. It is the two of them that have to be focused on if we are going to deal with these deficits.

We are hearing from the other side that the President says he is going to cut the deficit in half over the next 5 years. Here is what we see. He does that by just leaving out things. He leaves out any war costs past September 30 and he leaves out the alternative minimum tax,

which was the old millionaire tax, and has now become a middle-income tax trap.

When you put those things back in, what you see is additions to the debt are not being reduced. Additions to the debt are not being cut in half. Additions to the debt continue at extraordinarily high levels for the entire rest of the decade, and, again, right before the baby boomers retire.

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It is one of the most startling things, if you examine the President's proposals. The President, who has represented himself to the American people as conservative, has the most radical budget plan, I think, ever put before this country. That is because he is absolutely exploding the debt right before the baby boomers retire. When he says he is going to cut the deficit in half, what he has done is he has left out things that we all know are going to be expenses. For example, he has left out funding for the war in Iraq, the war in Afghanistan, the war on terror. He says there is no cost past September 30 of this year -- none.

The Congressional Budget Office says the cost is \$280 billion over this next period of time. The House and the Senate have put in these much smaller amounts, \$50 billion in the House, \$30 billion in the Senate. But the Congressional Budget Office says that is not what this is going to cost. It is going to cost \$280 billion.

We see that same pattern with other elements in the President's plan. Here is the cost in the 10 years of the President's tax cuts. Do you notice a pattern? This dotted line is the end of the 5-year budget proposal of the President. In previous years he did 10-year budgets. Now he is down to 5 years because I am afraid he wants to hide from the American people the full effect of his budget plan. Just looking at the tax side of it, you can see the cost of his proposed tax cuts absolutely explode outside the 5-year budget window. In effect, he is hiding from the American people the true fiscal condition of the country.

What one calls these things and what label one puts on them is striking. The fact is, whatever one calls it, what is being done is not conservative -- to run record deficits not just at a time of economic weakness, and not just at a time that we are engaged in a conflict, but for the foreseeable future, for 10 years in the future, massive increases in debt under the President's plan.

I showed this chart which talks about the pattern of the President's tax cuts that explode beyond the 10-year window. We see the same thing about the alternative minimum tax -- a billionaire's tax -- now becoming a middle-income tax trap with 3 million people affected now. At the end of this period, it is going to be 40 million people. The President's budget only provides for dealing with that crisis in the first year. Look at the pattern of the cost of fixing it beyond that first year. It absolutely skyrockets. The President provides nothing past the first year, again hiding from the American people the full effect of his budget plan.

The President told us repeatedly he would not use Social Security money for other purposes. But when you look at his budget plan, that is not the case. He is taking every penny of Social Security surplus over the next 10 years and using it to pay for tax cuts and for other

things -- \$2.4 trillion, every penny of which has to be paid back, and the President has no plan to do so. That is a reckless plan; again, something the President pledged not to do.

The result is this is what we see happening to the debt of the United States. Remember in 2001 when the President told us he would have maximum paydown of the debt. He would be able to pay off all of the debt that was available to pay off. Now what we see is not debt being paid off but debt exploding from about \$6 trillion when he took over. We now anticipate it will be approaching \$15 trillion by 2014. Where is the money coming from?

I have already indicated we are borrowing every penny of Social Security surplus. It is not surplus at all because all that money is going to be needed when the baby boomers retire. It is borrowing every penny of Social Security surplus -- \$2.4 trillion. But he does not stop there. He is borrowing money from all over the world: over \$500 billion from Japan, and over \$140 billion from China. Under the President's plan, we have even borrowed \$69 billion from so-called "Caribbean Banking Centers." He has borrowed over \$40 billion from South Korea.

Think about this: America, the most powerful Nation in the world, and here we are reduced to borrowing money from countries all over the world, including South Korea.

I don't think the American people have yet had a chance to fully focus on where this is all headed. That is the thing that is most alarming. I am less concerned about the current deficits even though they are a record and they are appalling. I am much more concerned about where the President's plan takes us. Even when he sees economic growth reviving, his plan runs massive deficits and runs up the debt in a dramatic way -- meaning more borrowing and more borrowing and more borrowing.

Let me conclude. The result is we are seeing the effect on the value of our own dollar. The dollar has declined in value almost 30 percent against the euro in just the last 2 years. Let me conclude with this: Economists are worried about the long-term effects of this weakening dollar and this heavy U.S. borrowing because not only are we borrowing to finance the budget deficit, we are also borrowing because we are running massive trade deficits. This was in the *Washington Post* on January 26 of this year, "Currency traders fretting over that dependency have been selling dollars fast and buying euros furiously. The fear is that foreigners will tire of financing America's appetites. Foreign investors will be dumping U.S. assets, especially stocks and bonds, sending financial markets plummeting. Interest rates will shoot up to entice them back. Heavily indebted Americans will not be able to keep up with rising interest payments. Inflation, bankruptcies, and economic malaise will follow."

This is a warning that is being sent to us about the recklessness of the course that we are on. If we need to have a reality check, three weeks ago, in the *Wall Street Journal*, they indicated Asian central banks have made a decision to diversify out of dollar-denominated securities. Warren Buffett, the second wealthiest man in this country, is reported, two weeks ago, as having made a \$12 billion bet against the value of U.S. currency. In article after article, we are seeing the danger and the warning signs of the reckless course the President is taking us on.

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I think in the short term, all of us supported tax cuts to give lift to the economy. We supported a much different package of tax cuts than the President did because we thought it ought to go more toward middle-income people and less to the high-end people to give more lift to the economy.

If you put it in the hands of middle-income people, they are more likely to spend it and give lift to the economy. In the short term, we proposed tax cuts that are actually larger than the President's to give lift to the economy. For the long term, we proposed about half as much in tax cuts because we were worried about sending this country into a tailspin created by exploding deficits and debt.

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Perhaps nothing reveals more clearly than this next slide where this is all leading. This chart shows -- and this is not my projection; this is not a Congressional Budget Office projection -- this is the President's own projection of where his budget policies are taking it. This is from his budget, and the assumption is his tax policies and his spending policies are adopted. Look what it shows. These are record deficits, the biggest we have ever had. But they are dwarfed by what is to come, under the President's own analysis of where his policy is leading.

This shows as the baby boomers retire and the full cost of the President's tax cuts are realized, the President's plan takes us right over the cliff into deficits that dwarf the ones we are having now, which are of record size. What could be more clear than we are on a course that is utterly unsustainable?

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Economists say it is utterly unsustainable. This is the course the President is taking us on. The President's plan is not conservative. This is a reckless plan. It is a radical plan. It is a plan that cannot be allowed to continue. This plan will jeopardize not only Social Security and Medicare, but most of the rest of what the U.S. Government does, including our ability to defend ourselves.

One does not need to take my word for it. We have been alerted by the head of the Federal Reserve, who has told us we ought to now consider cutting Social Security benefits because we are, in his words, "overcommitted." And it is not just him. We can go to group after group that are responsible on budget issues that are saying: Look, you are on a course that is utterly reckless.

The President told us on the issue of Social Security, "None of the Social Security surplus will be used to fund other spending initiatives or tax relief."

That is what he told us in his 2002 budget. But what we see is something quite different. In fact, he is taking every penny of Social Security surplus -- again, it is really not surplus; it is surplus for the moment because when the baby boomers retire, all that money is going to be needed -- he is taking every penny, \$2.4 trillion over the next decade, and using it to fund primarily tax cuts.

It is very interesting, when you do the analysis, the cost of his tax cut proposals over the same period is almost the identical amount -- \$2.5 trillion of income tax cuts, being funded by \$2.4 trillion of Social Security money. So you have the specter of taking money from payroll taxes and using it to fund income tax cuts that overwhelmingly go to the wealthiest one percent in this country.

When people have a chance to look back and see the decisions that were made here and now, and where it is leading, history will not treat them kindly.

On this question of spending and revenue, here is the historical chart on spending, again, as a share of gross domestic product. You can see it goes back to 1981. In the 1980s, spending, as a share of GDP, got to 23.5 percent. At the end of the Clinton years, spending was down to 10.4 percent of GDP. It is very interesting. Spending, as a share of gross domestic product, went down each and every year of the Clinton administration.

Now we have had a significant bump up. Ninety-one percent of that increase is defense, homeland security, rebuilding New York, and the airline bailout. That is where the money has gone. But even with that increase, you can see spending is well below where it was in the 1980s and 1990s as a share of GDP.

The revenue side of the equation, however, which our friends never want to talk about -- and I started this morning by quoting Mr. DeLay, who said: You cut taxes, you get more revenue. Well, that is a theory. It is a philosophy. It is an ideology. The problem is, it does not work in the real world.

Here is what has happened to revenue. Revenue has collapsed to the lowest level as a share of national income since 1950. So their theories are not working in the real world, and the result is, we have a weakening economy.

We see a job loss that is very unusual. The pattern of this job loss, in comparison to every other recession since World War II, is very interesting. The dotted red line on this chart is the average of every recession since World War II. You can see, 17 months after the business cycle peaked, of all the other recessions, you saw us pulling out of job loss. Jobs were being created in a very favorable way in each of the other nine recessions.

But look at this downturn. We still do not see job recovery occurring, and we are 35 months past the business cycle peak. Something is wrong. Something is not working. We are now 5.4 million jobs short of the typical recovery. We have all seen this chart. For private sector jobs, 3 million have been lost since January of 2001.

Now we turn to the budget our friends have proposed on the other side. They say they are going to cut the deficit in half over the next three years. Well, I say to our friends, I look at what is being added to the debt under their plan: \$612 billion this year, and every year thereafter over \$550 billion being added to the debt. I do not see any big improvement here in terms of what is being added to the debt. In fact, I see almost no change under the proposal by our Senate Republicans.

I hear them say they are reducing the deficit, cutting it in half over the next 3 years. The fact is, if you put this thing on automatic pilot and we made no policy changes, the deficit would decline more rapidly. They are actually increasing the deficit with this plan by \$178 billion over the next 5 years, compared to doing nothing.

If you look at the priorities, you have to question those as well. Those who are the wealthiest 1 percent, earning over \$337,000 a year, their tax cut for this coming year is \$45 billion. On the other hand, to restore the cuts of the education program No Child Left Behind would cost \$8.6 billion. So we are saying it is more important that the top one percent, those earning over \$337,000, get every penny of their tax cut than to restore the money for No Child Left Behind.

The same is true with other important priorities: The firefighters, \$250 million to restore the cuts on them compared to \$45 billion for the cost of the tax cuts for the wealthiest one percent, those earning over \$337,000 a year.

If we look at the House budget resolution, we see the same thing in terms of additions to the debt, only it is even worse. I don't see any big improvement here. They say they are going to cut the deficit in half. But if you look at increases to the debt, what you see is they are going to be adding \$600 billion to the debt year after year of the entire budget window. Just like our Senate colleagues add to the deficit, they add \$301 billion to the deficit over the next 5 years, in comparison to doing nothing.

Interestingly enough, when I look at the discretionary spending limit that was set in the Senate a year ago, the budget the Republican House has sent us exceeds that limit, that self-imposed limit that was put on here. They are going to spend \$871 billion under their plan. A year ago they put a spending limit of \$814 billion.

The other point that needs to be made is, additions to the debt. There is almost no difference between the Bush budget. He is adding \$3 trillion to the debt in the next five years; the Senate budget, \$2.9 trillion; the House, \$3 trillion. So there is very little difference.

Finally, on the issue of paygo -- this is the procedure to make it harder to spend the money and to pass tax cuts given our fiscal condition -- Mr. Greenspan has said, "I would, first, Mr. Chairman, restore PAYGO and discretionary caps. Without a process for evaluating various tradeoffs, I see no way that any group such as Congress can come to set priorities which will effectively reflect the will of the American people."

We restored the provisions to make it more difficult to spend new money for past tax cuts in the Senate. The House did not. They failed on a tie vote of 209 to 209. This is going to be the critical test in conference. For those who say they are fiscally conservative, this is their chance to prove it. Because if we don't put in place the budget disciplines that have worked in the past to eliminate deficits and to get us on a more firm financial footing, we will have failed the American people.

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I always enjoy listening to the chairman of the Finance Committee, who is my friend, and despite our disagreement today, he will be my friend at the end of the day, just as he was when we began this day.

I say to my friend, this is not a question of whether we win wars or do not win wars. All of us are committed to winning this war. We must win this war. But part of winning a war is not just leaving the cost of the war out of the budget. That is not credible.

The President says it is difficult to say how much the war is going to cost. Certainly it is difficult, but the right answer is not zero. That is what the President put in his budget. He says for the next year there is no cost to the war on terror, there is no cost to the war in Iraq, there is no cost to the war in Afghanistan. That is not credible. That is not a serious budget. That is not leveling with the American people on our true fiscal condition to put out a budget that says there is no war cost past September 30 and present that as an accurate picture to the American people of our fiscal condition. That is not serious. That is not credible. People deserve better.

The Senator also indicated nothing has changed with respect to Social Security financing. That is not true. In the last three years of the Clinton administration, we stopped the raid on Social Security. We stopped taking Social Security funds and using it for other purposes.

What has changed now is we have gone right back to the bad old days of taking every dime. And under the President's plan, he is not just taking every dime of Social Security surplus this year to pay for tax cuts, he is doing it for the whole next decade -- every dime, something he pledged not to do.

The Senator also said we have had a policy of only spending 17 to 19 percent of GDP and having taxes of that same amount. I don't know what he is talking about. That is not the fact. The fact is, spending as a share of GDP in 1928 was 23.5 percent. During this whole period of the eighties, it was above 21.5 percent. It was only during the Clinton years that we brought spending down to 18 percent of GDP. Now we are back up to a little over 20 percent of GDP. If we want to have balanced budgets, we have to have that amount of revenue. Hello. Deficits are a function of spending and revenue, not just of spending.

When we look at the revenue side of the equation, revenue has collapsed. Of course, we are talking about needing more revenue. We have the lowest revenue since 1950. We are at 15.8-percent revenue as a share of the gross domestic product, and spending is 20 percent. That is why we have a deficit.

Obviously, we need more revenue. I would say the first place to look is not a tax increase, but going after the tax gap, the difference between what is owed and what is being paid because we know for 2001, that difference was over \$250 billion. Now we ought to go to those who are not paying what they owe, that small share of the American people, that small share of companies and say, look, you ought to pay what you owe.

The Senator from New Hampshire said, where is our budget? We offered amendment after amendment in the committee, on the floor, to alter this budget plan. That was our strategy,

to try to alter the outcome, and we were defeated.

When the Senator from Iowa says we did nothing to reduce the deficit in our amendments, please, that is not true. Go back and look. Virtually every amendment we offered was to reduce the deficit, and that is a fact. I challenge the Senator to come up with a list of the amendments we offered and show we did not repeatedly offer amendments to reduce the deficit.

The Senator from New Hampshire attacked Senator Kerry, said Senator Kerry had a trillion-dollar hole in his budget over 10 years. First, Senator Kerry, as the Senator knows, has not presented a budget. They have fabricated a budget in his name. It is not Senator Kerry's budget. We all know it is not Senator Kerry's budget.

They have double-counted Senator Kerry's proposals. They have included things he did not include. So claiming that is Senator Kerry's budget is a fiction. It is a fabrication. Senator Kerry has not yet presented his budget proposal.

In the analysis the Senator from New Hampshire provided, he included programs Senator Kerry has never proposed, including a multibillion-dollar, high-speed rail network. He excluded savings Senator Kerry has specifically proposed, like hundreds of billions of dollars in health care savings, closing corporate loopholes, and eliminating corporate welfare. They double-counted some of his proposals, for example, double-counting energy proposals Senator Kerry has made.

Interestingly enough, he says there is a trillion-dollar hole in a Kerry budget Senator Kerry has not even presented. We know the budget this President has presented in 5 years adds \$3 trillion to the debt. They are talking about a \$1 trillion hole in a nonexistent Kerry budget over 10 years. They ought to be up here explaining the \$3 trillion this President adds to the national debt in just 5 years.

If we applied the same rationale to the President's proposals he applied to Senator Kerry's proposals, we would see there is a \$4.5 trillion hole in the President's plan compared to their alleged \$1 trillion difference in Senator Kerry's plan.

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I say in response to our colleague who suggested those of us who favor the reenactment of the budget disciplines that worked so well in the 1990s, I also favor extension of the middle-class tax cuts, but I am willing to pay for them. I am willing to pay for extension of the 10-percent rate. I am willing to pay for extension of the marriage penalty relief. I am willing to pay for the child tax credit. I am prepared to vote to do precisely that. That is what we need to do.

The other fact is, under paygo, if we get a supermajority, tax relief can be extended or have new spending of an emergency nature. There has to be a supermajority vote. That is what the budget discipline is about. It is to make it more difficult to enact new spending or new tax cuts that are not paid for. It can be done, but there has to be a supermajority.

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The Senator from Oklahoma and the Chairman of the Budget Committee will not be surprised that I completely disagree with his characterization of the amendments offered on our side during the budget fight. We did not offer a package of amendments, so you can't total the spending of each individual proposal. We would offer an amendment, but in each case we would pay for the amendment. We were not adding to the deficit.

If you take our proposals in total -- which you cannot do because they were not offered as a package, they were offered individually. We are just going to be intellectually honest here. You can't cumulate something that was not offered as a cumulative amendment. We offered an amendment, it would be defeated, but in each of the amendments we offered, we offered offsets.

I ask unanimous consent to have that chart printed in the Record as well. What it shows is if you do cumulate the spending over 5 years, it was \$222 billion, but the deficit reduction was \$231 billion. That is a fact. On the other side, they increased by \$28 billion, and added to the deficit by \$9.3 billion. So the only folks who had cumulative totals here on the floor that added to the deficit were our friends on the other side of the aisle. That is a fact. We have been very careful to insist amendments on our side be paid for and reduce the deficit. We insisted that not only amendments offered on this side be deficit neutral, but they actually reduced the deficit in addition to any change in funding priorities.

The Senator once again says the budget before us will reduce the deficit in half in three years. The problem is, if you look at increases to the debt in each of those years, you don't see a reduction. The debt continues to be increased between \$500 and \$600 billion a year in every year of this budget proposal -- \$3 trillion. On the Senate budget, in fairness, \$2.9 trillion added to the debt in just the next five years.

The President's plan adds \$3 trillion to the national debt in just the next five years. That is a mistake. That is a mistake because it is coming at a critical time, right before the baby boomers start to retire. That will happen in the fifth year of this five-year budget plan.

I want to conclude by thanking the chairman. We have had differences on budget policy; we have had differences in how we should proceed; but we have done it, I think, in a way that should be done in the Senate. We have done it in a way where there is respect and a serious listening to both sides in order to achieve a result and a rational process for this body.

I yield the floor.