tax your way out of it. You are going to have to have a strong element of economic growth. My concern about this budget that will be on the floor today and tomorrow, the Republican budget out there for review, actually Wednesday and Thursday, is that what this budget does is it goes after growth.

Let me give you an example why. I hold here thousands of petition signatures of West Virginia college students and high school students, and I am willing to bet some parents, all who signed petitions circulated across our State in just the last couple of weeks urging Congress not to adopt the student loan cuts that are proposed in this budget. Whether it is West Virginia University, Shepherd College, Glenville, Fairmont State, University of Charleston, D&E, Davis and Elkins, you name it, 16 colleges and universities participate in this program, sending petitions under our own name, SAVE, Save America Via Education. They organized this effort themselves. They circulated the petitions, got up on Internet. The message is clear to Congress, thousands of people saying ''Do not cut student loans.''

Basically what is proposed to be cut is the Stafford Student Loan Program, the one that pays the interest while the student is in college and for 6 months thereafter.

Does it make much of a difference? It adds something like 20 to 50 percent to the lifetime cost of that loan. Many of these students somewhere along the road, and I visited many of the locations, said to me if that had been in effect I would not be able to be in college today; I would not be able to be in school today.

I have heard some say lightly, well, $21 a month, maybe that is all it is going to be. One CD, one music CD. Rubbish. For many people, $21 a month is a lot of money over a number of years. It is more in many cases, such as the nontraditional students, the mother who has put herself through a 4-year program, now getting an MBA, who said her daughter is now getting ready to enter undergraduate school, who told me how it would have been impossible at $21 more a month to have accomplished that.

Why is this so important? It is so important because, getting back to growth for a second, the opportunities created by a college education mean that our economy will grow at record levels. Those of you older than 40 or 50 remember the impact of the GI bill, when millions of veterans came home from the war and were able to get that education.

The Department of Labor estimates that everyone who finishes college on the average will have a 60-percent higher lifetime income than those that do not. This college education clearly is a ticket to success, not only for individuals, but also for our society.

There is also a problem with college classrooms. If you have less people able to attend college, and, incidentally, since 1979 the median income has gone up roughly 88 percent, I believe it is, while the tuition costs have gone up more than double that. So family income does not keep up with tuition income, which means these programs are more important. But there is also the very real fact that even those able to pay the full amount of tuition will find less students in school and therefore less classes available.

This is not a partisan issue. This is parents. It is teachers. It is students. It is anyone concerned about higher education. These thousands of students from across West Virginia have recognized clearly the impact this has.

Incidentally, it is not an interest loan deferral for all their lives; it is only for the time they are in school. they pay these loans back. But what the Federal Government does is to assist them in making sure they do not pay interest while they are actually in school.

So I would urge Members not to support this Republican proposal to cut student loans. While I am here, let me note I found of interest, it was just a month ago as I traveled the State when Republicans were asked about this. They said we have no intentions to do that. Today it is in the budget in a bigger way than I ever dreamed. I thought it was going to be $16 billion. It is 33 billion dollars' worth of cuts.

So to respond to those who signed these petitions, this battle is going to go on over the summer and fall, and we urge many more people to make their voices heard. If you want to talk about growth, growth in our children, growth in our society, growth in our economy, then we cannot be cutting the student loans. I would urge rejection of the budget for that reason alone.

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California [Mr. MILLER] is recognized for 5 minutes.

[Mr. MILLER of California addressed the House. His remarks will appear hereafter in the Extensions of Remarks.]

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Kentucky [Mr. WARD] is recognized for 5 minutes.

[Mr. WARD addressed the House. His remarks will appear hereafter in the Extensions of Remarks.]

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Oregon [Mr. DEFAZIO] is recognized for 5 minutes.

[Mr. DEFAZIO addressed the House. His remarks will appear hereafter in the Extensions of Remarks.]

HOUSE REPUBLICAN BUDGET PROPOSAL

The SPEAKER pro tempore. Under the Speaker's announced policy of May 12, 1995, the gentleman from Missouri [Mr. CLAY] is recognized for 60 minutes as the designee of the minority leader.

Mr. CLAY. Mr. Speaker, I rise in strong opposition to the House Republican budget proposal.

There is a saying which goes ''If you think education is hard, try ignorance.'' In today's budget-cutting frenzy, Republicans seem to be doing everything possible to establish ignorance as our national educational policy.

Recall that their assault on education started in the cafeteria, with their misguided, vicious attack on the School Lunch Program. With this latest volley, Republicans have now moved the battlelines into our Nation's classrooms, libraries, vocational training centers and, finally, to our college campuses.

The House Republican budget proposal would virtually obliterate the Federal role in education. It is a repudiation of this Nation's century-old bipartisan, national commitment to enhancing the educational opportunities of all of her citizens.

The House budget proposal is extremist and completely out of step with the views of the American people.

Moving into the classroom, Republicans would abolish or slash extremely popular and successful educational programs. Programs like Head Start, which they would reduce by $609 million in 1996, cutting off services to as many as 100,000 children a year.

The widely popular school-to-work initiatives that help the majority of high school graduates learn the technical skills they need to get good-paying jobs.

Republicans would eliminate across-the-board efforts in 47 States to improve reading and writing, to put computers into the classroom, and to improve academic standards through Goals 2000.

The budget proposal virtually eliminates the Safe-and-Drug-Free School Program—even though drug use is on the rise among schoolchildren.

Programs that target assistance to 700,000 at-risk, disadvantaged children would be abolished. Republican hostility to programs designed to lift disadvantaged children out of poverty through learning is completely at odds with our highest ideals, as well as decades of bipartisan congressional policy.

Having laid waste to the cafeterias and the classrooms, the Republicans move on. They would eliminate Federal support for public libraries—the main repositories of knowledge and wisdom in our society.

Their next target is higher education. Their proposed cuts in student aid are a dramatic departure from the national policy established by nearly every President and Congress since President Truman, the Republicans are endangering the American dream for millions of working-class families.

House Republicans recommend cutting student aid as one way to finance

tax cuts for the rich. The elimination of the in-school interest subsidy will increase loan costs for close to 5 million students by as much as 20 to 50 percent. Total loan costs could rise as much as $5000 for each student borrower. Middle-class families are especially hit hard; the average family income of a student receiving the in-school interest subsidy is $35,000.

Just wait until middle-class families find out that Republicans want to make it harder for their kids to attend college. Just wait until they find out that Republicans are proposing a hidden multibillion-dollar tax on their kids—at the same time Republicans are cutting taxes for the rich.

Finally, the Republicans save their last attack for the Department of Education itself. Their proposal to eliminate the Department would leave the United States as one of the few industrialized countries in the world without a national department or ministry of education. The Republicans claim that their proposal is simply an attack on bureaucracy. It's much worse than that.

The elimination on the only national voice promoting educational excellence amounts to unilateral disarmament, leaving our children all too defenseless in a fiercely competitive world. We live in the information age; this is no time to cut back our commitment to quality education.

In one poll after another, a vast majority of the American people express overwhelming support for the Department of Education and a strong Federal role in education. In a Time/CNN poll just released this week, 77 percent of those polled oppose eliminating the Department. A Wall Street Journal poll from last January showed that 80 percent of Americans believe a Federal Department of Education is necessary.

There are ample reasons for this widespread public support. The Department is a positive force for education as well as equality. It provides one out of two college students with financial aid; it support local schools' efforts to strengthen the teaching of basic and advanced skills for 10 million disadvantaged students; and it provides information about what works in education to schools and communities in every State.

Mr. Speaker, this budget proposal is the most reprehensible and irresponsible assault on education by any political party in the history of this country. Republicans are sacrificing our children's future at the altar of tax cuts for the rich and privileged. If they are successful, ours will be the first generation in our lifetime to have intentionally left our children worse off.

This proposal is especially pathetic, coming the month we commemorate the sacrifices of a generation who fought 50 years ago to save our Nation from ignorance and destruction. Our generation should also reject ignorance. This Congress should reject the Republican budget proposal.

□ 1845

Mr. Speaker, I yield to the gentlewoman from Hawaii [Mrs. MINK].

Mrs. MINK of Hawaii. Mr. Speaker, I thank the gentleman for yielding to me to join him in expression of absolute dismay at the results of the Republican deliberations with respect to the budget.

I understood when I came to the Congress this January that things would be different and that there would be a new Republican majority committed to the idea of balancing the budget by the year 2002. I understood that. I understood that we had to streamline government and perhaps sacrifice some of the programs in many of the areas of concern that the Congress has been involved in.

But never in my life did I dream that the Republicans would attack education as vigorously as they have in this budget resolution. I think the American people have been blind-sided about what this whole effort is about, thinking that simply being for a budget that is balanced, that somehow those things that they care about would be saved because the Republicans would share their same priorities and concerns.

I am here tonight to dispel the American public from such assumptions, because this budget resolution clearly and categorically expresses the new majority's intent to decimate Federal programs that have been put in place over the last 30 years.

I came to the Congress first in 1964, in an election which saw the election of Lyndon Johnson. And one of the wonderful things that we experienced in that first year was the final commitment of this Congress and this Nation because of the call by the American people that something had to be done about improving public education and making the idea of equal educational opportunity available to all of our children. So we enacted the Elementary and Secondary Education Act.

The premise of that legislation was to take the resources of the Federal Government and to make it available to the poor in our country, to the economically disadvantaged, to the people that lived in rural America, to those who were somehow unable to enjoy the fruits of this opportunity in America called public education.

That is what our commitment has been over the last 30 years, and we have improved it. We have expanded it. We have enlarged our commitment. ANd the reason for the ability of the Congress on a bipartisan basis to do this is that we shared the priority of this country in our children.

The new Republican majority comes here and says they pledge their commitment to families, to strengthen and embolden the families' opportunities for the future. What better way to do it than to strengthen our resolve as a nation that education will be our first priority, notwithstanding the cuts that have to come perhaps in other areas but to pronounce once and for all that, joined together with the Democrats, the Republicans will declare education cuts off limits.

That is what we are here tonight to plead with this House, that it embark upon deliberation of the budget resolution tomorrow, to reconsider this savage, unthinking reversal of 30 years of progress, of support for educational programs.

It has been devastating. Look at the list. I serve on the House Committee on the Budget. I was astounded when we were handed the budget resolution 30 minutes after we went into the committee to make these decisions. We sat there for 16 hours straight, until 2 a.m. in the morning, trying to argue logic and reason to the new majority, but they voted en bloc. I offered an amendment to restore the 26 billion dollars' worth of cuts and they rejected my efforts. I hope that the whole House will be different.

Let me just give you an example of some of the cuts that the Republicans are offering. Title I, which is the Elementary and Secondary Education Act that I spoke of that was enacted first in 1965, in an effort to try to balance educational opportunities all across the country, education is funded locally based upon real property taxes, and the communities that are having a difficult time, have large concentrations of poor people, people with low incomes cannot finance their local school education the same way that rich districts can. So we have this equalization going on between local school districts and the State.

But the Congress has laid over this whole pattern a simple edict; that is, educational opportunities must not be sacrificed. And so we enacted ESEA, title I. One of the major cuts that is being made to education is 663 million dollars' worth of cuts in this one area.

It is tragic. There are cuts in there for Head Start, which has been a very important program, which I thought had bipartisan support. Yet we see hundreds of millions of dollars cut from that program as well.

Safe and drug-free schools is being cut back over the 7-year period to the tune of about $3 billion. This is an important program. We understand that as each generation of children comes through our schools, that there are different kinds of problems, violence in the schools, drugs in the schools, and so this was the Congress' way of responding to it. We see cuts in bilingual education, cuts in the public libraries and, as the ranking member of our committee has noted, big cuts in the student financial aid program.

They will deny that these are cuts, but they are cuts. If they are funded as block grants, they will be cut. That is the pattern of the block grant phenomenon.

So I urge the people who may be listening to this program to contact the offices of their Congress people and put them on the spot so that they will be

able to understand about the programs that they are interested in. I urge this House to pay careful attention to the debate that will start tomorrow and do not support this resolution if it contains the cuts in education as is currently outlined in the budget resolution.

I thank the gentleman for yielding to me.

Mr. CLAY. Mr. Speaker, I yield to the gentleman from California [Mr. MILLER].

Mr. MILLER of California. Mr. Speaker, I thank the gentleman for yielding to me. I thank my ranking member, the gentleman from Missouri [Mr. CLAY] of the committee for taking this time.

I think we have reason to be deeply concerned about the cuts that are envisioned in the Republican budget that will be presented to the Congress tomorrow. And that is because it withdraws the historic level of support for education by the Federal Government of the efforts to better educate each generation of our children.

When I went to school, I was assured that the school that I attended and the programs that it offered would be sustained by an ongoing level of financial support that was steady and that could be counted upon. Today that is no longer true. But more importantly, just supplying money to education, the Federal Government has supplied leadership, and it has supplied leadership in trying to work on those programs that take young people as they graduate from high school, as they are in high school, and move them to the world of work. Yet that is being cut in this program.

What does that program mean? It means for some 70, 75 percent of young people who graduate from high school but do not plan to go on to higher education, that they will be able to transition, that they will be better able to take their place in the American economic system, a job that we do not do terribly well currently. Employers tell us that all of the time, that young people upon graduation are not fully prepared to transition from school to the American economic system. That means that they are less productive. That means that they are more expensive for employers, and we ought to make sure that that does not continue. The program designed to do that is in fact being cut.

Goals 2000, where we seek to obtain world-class standards of curriculum for the students of this country so that we can compete, so that our industries can compete, so that our students can compete on an international basis because every politician has gone home to his or her district and told these young students that they will not only be competing against their colleagues in school, against the people in their own city or their own State but they will be competing against the entire world, and if America is to succeed economically, it requires a highly educated, a highly trained work force that will be able to adapt to the work places of the future.

For that reason, we have got to have world class standards as children move through our education system so that they can take their place in that work force so they can provide the kind of economic dynamics that this nation needs to compete internationally.

Yet what we see, only a year or two in that program, programs started under President Bush, continued under President Clinton are now being cut and eliminated. That is not the way to the education future.

What is also rather startling in this budget proposal is that it continues an attack on children. In this instance, it continues an attack on almost every level of education being presented to children. In the Head Start Program, as my colleague from Hawaii pointed out, we see cuts where we know we have the ability to dramatically influence the future and the direction of that child's education program, those programs are being cut. We see programs at elementary and secondary education being cut.

And for those students who seek to go on to higher education, what do we learn in this budget? We learn that we are going to substantially increase the cost of that higher education, what for many young people and their families means either it is going to take much longer to get that education, the education is going to have to be stretched out, or they simply will not get as much of that education that they would have otherwise, when it was affordable.

Why are we doing that? We are doing that for the sole purpose, not of education policy. This is not driven by research. How can we have a better education system at the elementary and secondary level? This is not driven by research how we can have a better postsecondary education at the college level, at the technical school level. This is driven by the desire to provide tax cuts for the wealthiest people in this country in a disproportionate amount.

How do they secure the moneys to do that? They do that by cutting these programs. And the tragedy is, as these programs are cut from our elementary schools, from our middle schools, our junior high schools, our high schools, that most of these school districts, almost without exception anywhere in the country, whether they are urban or rural, whether they are suburban districts, will not have the ability and do not have the ability to make up for these cuts.

So what that means is, although the Federal dollars in total are not that great compared to what we spend in the Nation, they provide vital dollars that link together the educational efforts in our cities and in our rural areas. When those dollars are gone, there is very little opportunity, if any, in the district that I represent. Most of the schoolboards run an exact day-to-day operation trying to figure out how to pay for their programs, how to make the fiscal year work out and how to keep the quality of their programs up.

They are losing that battle. And now in the middle of that battle we hand them fewer resources to deal with that issue. What does that mean?

That means that children that would have had the opportunity of better trained teachers, of smaller class sizes, of better curriculums, of better technical materials and the availability of technology, computerization, and other programs will simply have that postponed or will go without. That means, in fact, that the education of the children of this Nation is going to suffer.

It need not be that way. If the Republicans would simply stop trying to provide these tax cuts to the wealthiest of their constituents and understand that we would be much better investing that money in the children of the future, in the students who are currently in school, to make them more productive, to make them more literal, to help them understand the fundamentals of reading and writing and computing and critical thinking and to put money into the training of their teachers, that is when we reap the bounty as a nation.

□ 1900

We do not reap the bounty as a nation by simply giving those who do not need a tax cut a tax cut for political purposes.

We ought to be very careful when this budget comes under consideration on the floor over the next 2 days in the House of Representatives. I would hope that the people that we would represent and those who serve on school boards and those who volunteer in the PTA and those who volunteer in the classrooms and those who teach our students would become engaged in this debate, because this debate is about more than money. This debate is about whether or not the Federal Government will continue to provide direction and provide technology and will provide expertise and will provide research and resources to better the education system in this country from what it is today for the next generation.

This is more than about money because it really is about the quality of that education. Because if we starve a system that is barely getting by in most localities today, if we withdraw these Federal dollars, quality is what will be compromised. It will come in the form of a larger class size, it will come in the form of the field trip postponed, it will come in the form of the computer not purchased, it will come in the form of the training for teachers that is postponed, but it will come in the form of reduced quality for our children.

Mr. Speaker, this generation owes the next generation more than that. We owe them better than what we are about to hand off in this budget.

There are many subjects and there are many concerns before us, with the cuts in Medicare, with the cuts in student loans, with the cuts in education, with the cuts in agricultural programs. But let us understand that when we lose the opportunity to educate the children of this Nation, very often that opportunity is lost forever. We ought not to be doing that. We certainly ought not to be doing that in the name of social progress or trying to kid the American people that they and their families and their children and their communities will be better off after these cuts in education are made because it simply is not so. It will not turn out to be so, and it diminishes the future and the horizons that these young people, who are capable of so much more than we are even asking of them today, it diminishes their futures and their horizons. They are entitled to more than that and they are entitled to better treatment than this Republican budget gives them that we will debate on the floor tomorrow.

I thank the gentleman for yielding and for taking this time.

Mr. CLAY. I thank the gentleman.

Mr. Speaker, I yield to the gentleman from Texas, Mr. GENE GREEN.

Mr. GENE GREEN of Texas. Mr. Speaker, I would like to thank the ranking member of the Committee on Economic and Educational Opportunities for setting up this special order so we can talk about the budget cuts that we will consider the next couple of days.

Mr. Speaker, I speak with a little different accent from some of my colleagues, but I learned in Texas, even though I live in an urban district, that you cannot eat your seed corn and expect to provide for your future and the Republican majority's budget is doing just that.

The budget is intended to move this country to a balanced budget and I agree, we should work toward that end and we started during my first 2 years here in Congress. However, I strongly disagree with the Republican majority's plans on how they go about balancing the budget. Education is one of the areas that a person can directly affect their income. In other words, education is our seed corn and this budget will eat that seed corn.

On the average, a college graduate earns just under $60,000 while a high school dropout earns just a little over $20,000 a year. Congress should not be deemphasizing education by cutting the Department of Education and by cutting the Department of Education or the education programs by billions of dollars. That is our seed corn in this country.

One program which will receive these cuts is the title I funding which is due to be cut which would not allow 700,000 disadvantaged youth to take part in extended classroom time. Title I education funds in Texas alone would be cut $66 million. That is our seed corn for these children.

The Republican majority claims to believe in the war on drugs while at the same time cutting the funding for the safe and drug-free schools, in Texas alone, $29 million.

Another area which the Republican majority claims they support is self-improvement. We all want to expand our horizons, yes, but in the Republican majority budget proposal, Perkins student loans are cut by $1.1 billion, for someone who wants to improve themselves, $1.1 billion in cuts.

Perkins loans provide low-interest loans to the 700,000 students who cannot afford to pay tuition while they attend schools, and we are talking about a loan.

If the Republican budget passes, we will be eating our seed corn.

One fact the Republican majority failed to take into account is that one out of every two college students today receives some type of Federal assistance to go to college. Not all students are headed for college but the Republican majority cuts programs such as bilingual education in our elementary and secondary education program and even adult literacy which moves the adult person through the process who may not be going on to college.

Congress should help all Americans to reach the highest point in education, not just to benefit that person because of their effort on building their self-esteem but for very selfish reasons, because a high school dropout earns a little over $20,000 but a college graduate earns just under $60,000. They bring additional tax revenue to our country to pay for the future. Again, our seed corn.

Congress can ensure revenues by maintaining an educational system that is the envy of the world because we educate everyone. We try to provide the education for everyone. Let's provide our Nation's future and provide education funding for everyone. Let's don't eat our seed corn.

Again, I thank the chairman, or the ranking member for that time. Hopefully after the 1996 elections, you will be chairman.

Mr. CLAY. I thank the gentleman.

Mr. Speaker, I yield to the gentleman from California [Mr. BECERRA].

Mr. BECERRA. Mr. Speaker, I would like to also thank the ranking member of the Education Committee, the gentleman from Missouri, for putting together this special order and making it possible for some of us to express our concerns about this budget proposal that we see coming out of the new Republican majority.

Let me focus first if I may for a few moments on some of the greater picture here that we have to deal with.

First, we heard for several months that in this whole attempt to balance the budget and pass a balancing budget amendment, that no one would touch Social Security. Well, now we know that that was not true, because in the Republican budget proposal, there will be a cut of $24 billion between 1999 and the year 2002 that will cost the average Social Security recipient about $240 in the year 2002.

We were told that all this was necessary and we had to go about this because it was necessary to balance our books. Yet we now know that the Republican majority wishes to have a $353 billion tax cut which goes mostly to wealthy people. The greatest amount will go to those who earn incomes above $100,000 and principally those earning over $200,000. You could expect to get back about $20,000 if you are wealthy. If you are middle income, well, you get about 1/40 of what that wealthy person would get. Yet somehow we have to pay for that $353 billion tax cut.

How? We see it now in terms of education. About $20 billion now will be footed by new families that have kids that want to go to college because now when it comes to going to college, when it comes to getting that student loan, those students will be paying more money. It is a $20 billion tax cut for families with kids going on to college to pay for tax cuts mostly to wealthy people. What does that mean?

If you are in college right now and you take out a loan after this budget should pass, get ready to pay more for the interest because you would have to start paying interest the day you take out your loan, not 6 months after you graduate. The way it is done now, we subsidize it at the Federal level so that we do not somehow encumber a student's ability to go to school by saying, ''You now have to start paying interest on that loan you have taken out. Get that education first, then you can do it.'' That is gone.

We are also going to charge our schools, our public schools, K through 12, moneys because we are going to cut off all sorts of programs including innovative programs that make it possible for us to reform the way we teach and provide innovative programs.

In Los Angeles, there is a program called LAMP, L.A. Metropolitan Project, which is a public-private partnership. We are getting $50 million in Los Angeles from the Annenberg Fund, a foundation which is giving $50 million for the L.A. Unified School District to come up with innovative ways to reform itself. It is a very large district. We are now seeking private dollars from the private sector to help match the $50 million grant and we are going to try to do what we can to get the local governments and the State and Federal governments to come in as well. But here in the cuts that are occurring to programs like Goals 2000 which we passed last year which is for the purpose of reforming and innovating, we cannot do it anymore because that money is gone.

Perhaps most curious of all that we are seeing being done with the budget is that while we are cutting education, cutting student loan grants and moneys for people to go on to college, cutting back for people for Medicare to

the tune of $280 billion, while we are increasing the cost for Social Security recipients, we are increasing spending on defense.

This is a department that obviously we need to provide moneys for because we want to have national defense. But I do recall at some point that we did have $500 toilet seats coming from the Department of Defense. I do recall the millions of cost overruns that we saw in the Department of Defense. Yet no cuts. In fact, a $69 billion increase over the next 5 years. That does not seem to me to be a fair way to allocate the heavy cuts. If we are going to cut programs like education 30 percent, or in some cases 100 percent, why are we not doing a thing to touch the Department of Defense, the largest single program outside of Social Security?

Yet, we are going to touch Social Security, Medicare, our kids in school, our kids who wish to go to college. It makes no sense whatsoever.

When I take a look at the cuts that are occurring and I say to myself, why is it that we made so much of an effort at the Federal level to try to help our schools reform, when we know that the Federal Government helps schools to the tune of about 6 percent of all that is spent in our schools nationwide. Most of the money comes from the local school districts and the State governments. The Federal Government quite honestly has a very small role relative to the States. But 6 percent can still be quite a bit. Two percent of our Federal budget outlays go for education, just 2 percent. That 2 percent when you think about the gross domestic product, the entire productive capacity of the Nation per year is less than .5 percent of our GDP, goes to education. That is our commitment right now at the Federal level.

We are now being told that we should cut it out, if not entirely, by a dramatic and drastic amount. It makes no sense, because we would not have some of those gifted and talented student programs that we have now in schools, some of the bilingual education programs, the programs for the kids of Army personnel who are increasing the cost of those local school districts to run their schools, we would not have some of that support because those are programs that the States and local governments did not have. That is why the Federal Government is so important.

Why do we see this happening now? Mostly because we have to pay for tax cuts, $353 billion worth of tax cuts. You can lump all the cuts to education, all the cuts to higher education to colleges, you can lump that together with all the cuts to Medicare and add the cuts to Social Security and you still don't pay for the tax cut that goes mostly to wealthy people. A scary proposition we are hearing but that is the way it is.

I must say, Mr. Speaker, and to the gentleman from Missouri [Mr. CLAY], the ranking member who has made available this time, that that is not the way this country wished to go, whether it was in the election of 1994 or in previous years or today. I think if the people of America knew the truth, they would say this is not the way you balance a budget. You don't cut off the head to try to save the body. You try to make sure that you reform and you do it in a very rational way. This is not rational in any sense of the word. Reason has been thrown out the door.

I hope that what we do, I say to the gentleman from Missouri [Mr. CLAY] and the rest of the Members who are standing up here, is to somehow bring some sanity back to the debate.

I thank the gentleman for the time.

Mr. CLAY. Mr. Speaker, I yield to the gentleman from New York [Mr. OWENS].

Mr. OWENS. Mr. Speaker, I would like to associate myself with the remarks of all of the previous speakers who have covered the subject very well, and they, like myself, are shocked, outraged and I think all the American people should be shocked and outraged by the proposal in the Republican majority's budget for the liquidation, the elimination of the Department of Education, the eradication, total, of the Department of Education.

In 1995, in a year when we are facing tremendous global competition, we are proposing to do what no other industrialized, civilized nation has proposed to do and that is eliminate any kind of central guidance or central influence on education. Among industrialized nations, we are unique in terms of our lack of control at the top of education. We do not have a centralized control of education. We do not have a federalized system of education. The Federal Government plays a very minor role on the periphery, sort of, of education.

□ 1915

In Japan, the education ministry is centralized, runs education in all parts of Japan from the cradle to the grave. In France, a very highly centralized education ministry, Germany, Great Britain has begun to decentralize and try to do a little more of what we do in terms of giving more control over education to local boards and local areas.

We go to the other extreme. We have too little influence and too little participation in education. We have so little that, as you heard from the previous speaker, the Federal Government is only paying 6 percent of the total bill. At one point we were responsible for about 8 percent of the total spent on education in this country and now the Federal Government is paying only about 6 percent of the total education bill; that is State government, low already, and local government which pays for most of our education.

That is too little. That is extreme. We are proud, and I think we should always continue the tradition of local control of education, but local control would not be threatened if we move from the present 6-percent expenditure up to as much as 25 percent. If we were providing 25 percent of the resources for education and we would have a concomitant amount of influence, that means we still are only influencing the decisionmaking to the tune of 25 percent. Local control and State control would still be in charge of 75 percent of the decisionmaking. So it would not be an extreme. I think it would be a happy medium, happy medium between the two extremes. Some countries have gone to one extreme, too much centralization. We have too little, and now we are facing a proposal of totally eliminating the Federal Government. Our participation at this point is very important because despite the fact that we provide so little of the funding, the central direction and the guidance that has come from the Department of Education through the title I programs has been very important. The States, although they get very small proportions of the overall budget, they are quick to obey the rules and they are quick to follow the rules of the Federal Government in order to be able to qualify for those funds. And they are also influenced very much in the process toward the improvement of their education system.

We have had a history recently starting with Ronald Reagan when he appointed a commission to produce the report called ''A Nation At Risk.'' The Federal Government began to realize that we are at a disadvantage in this very highly complex society. With all of the global competition that we have we were at a disadvantage with so little Federal participation.

So the movement toward increasing the Federal influence started with Ronald Reagan, ''A Nation At Risk,'' and then George Bush came with America 2000. Of course President Clinton followed through with Goals 2000, which is really an adaptation of America 2000 still based on the six goals that were arrived at at the Governors' Conference which was convened by President Bush. We were moving in the right direction, and now we have a budget process that was set in motion with the majority Budget Committee that is like, you know, barbarians burning down the temple of our civilization, the American civilization. The pillars of the temple of the American civilization rest on an educated population, and to destroy the guidance and destroy the participation of the Federal Government in the process of education is a reckless and stupid act. It is a dangerous act.

We should be outraged. We should be not only shocked, but we should resolve that we will not let this happen in America.

The majority budget is not the only budget on the floor, however. We will have other considerations.

We have shown that we can meet some of the objectives that have been set out by the majority. They have insisted that the budget be balanced by the year 2002. We do not agree with

that. And we do not think you have to be so hasty. We do not think you have to put America in a pressure cooker and force the issue of balancing the budget to the tune of billions of dollars being cut over a short period of time. We do not think Medicare should be cut. We do not think Medicaid should be drastically cut, and most people are not even talking about the drastic cuts that are being made for Medicaid, which is serving the poorest people in the country. We do not think all of that has to happen.

We offer an alternative. The Congressional Black Caucus alternative budget will be on the floor on Thursday, and it offers an alternative. We balance the budget by the year 2002. We meet that challenge, but we increase the budget for education. This budget boldly sets forth investments in the activities which keep our Nation prosperous at home and competitive in the global arena. Without hesitation, we have declared that education must be the Nation's No. 1 priority in 1995 and for the next 7 years. Though the amounts we have proposed are still not adequate, our budget alone has proposed substantial increases for education and other Function 500 activities like job training which is related to education. We have proposed to invest more than $27 billion over the 7-year period increasing the budget of education by 25 percent. We are going to increase the budget by 25 percent, and most important of all, we have rejected any notion that the Department of Education should be drastically and dangerously downsized and completely liquidated. This budget does that and it is balanced.

How is it balanced? Because if you set forth priorities, and you determine what we should spend money on, and you move forward to spend the money on those priorities, then you can get the money you need for that function by cutting other places where there is waste. So we have about 500 billion dollars' worth of cuts in existing programs. We cut the F–22 fighter plane, which is manufactured in Speaker GINGRICH's district, we cut that out completely. That saves $12 billion. We cut the *Seawolf* submarine; we do not need another *Seawolf* submarine. We make those cuts, and we also have almost $600 billion in the closing of corporate tax loopholes, and in the elimination of corporate welfare.

The American people do not know, the American people really would be shocked if they took a look at a chart which I have which shows that from 1943 to the present the share of the tax burden which is borne by corporations has gone from 39 percent to 11 percent in 1995.

At one point the share of the tax burden which is borne by corporations went as low as 9 percent, in 1990. So, from 39 percent of the tax burden it is now down to 11 percent. At the same time, the share of the burden has gone from 19 percent for individuals and families up to 44 percent. We presently have a situation where families are paying 44 percent of the tax burden while corporations are paying only 11 percent.

So one way we were able to maintain Medicare and Medicaid at the same level and also increase the budget for education was to close the corporate tax loopholes and to end corporate welfare, and by doing that we are able to get the money to go forward the priorities that America ought to be setting in the year 1995.

In the year 1995 we ought to be able to look forward to a nation which is a learning society, which is very much dependent on a highly educated population, not only in order to make our industries more competitive but in order to make our society more civil and our society more orderly.

Let me just close by indicating some of the individual items that the Congressional Black Caucus budget is able to fund in the area of education. We increase the funding for higher education title III assistance to historically black colleges by 20 percent. We increase the Federal TRIO programs for disadvantaged students by 12.5 percent. We increase funding for title I to $9.65 billion over 7 years. That amount would serve the total 100 percent of poor youngsters who are eligible for title I. We increase the funding for the education infrastructure, and that is an amount of money proposed by Senator CAROL MOSELEY-BRAUN of $600 million to help repair schools and new construction is some areas where safe schools are needed.

We provide an appropriation for family learning centers and libraries which has been authorized in legislation, but not funded. This would give ordinary citizens access to the information highway. Whether you can own a computer or not, your public library would be able to give you access to the information superhighway.

We increase funding for individuals with disabilities by up to 18 percent of the total cost. We increase funding for Head Start over the 7-year period, the budget cycle, we increase funding for Head Start to the point where every youngster who is eligible for Head Start would be able to get a place in the Head Start program, up to $8 billion is the total.

So we have compiled, we have provided a bold budget, but at the same time we have also laid out, made decisions about what the priorities should be, and the No. 1 priority is education.

Mr. CLAY. Mr. Speaker, in closing, first of all let me thank those who participated in this special order to bring about a fuller understanding for this Nation as to what these budget cuts will mean in the field of education.

This is not just a question of balancing our budget. This is an all-out war on knowledge that we are witnessing. It is comprehensive and it will affect education from preschool through graduate school. It is consistent with an overall plan to benefit the rich at the expense of the poor and the middle class.

The proposal that is being advanced is extreme, it is shortsighted, and it puts an end to the long-term tradition of bipartisan support for education.

The new leadership of this House did not attempt to sit down with the minority and effectuate a kind of program that would still preserve the most important features of education in this Nation.

In addition to the budget, the 1995 rescissions of the majority, if they become law, would eliminate funding for safe and drug-free schools, would eliminate Goals 2000, would eliminate funding to promote parent involvement in school improvement, would significantly reduce financial aid for deserving college students, and would eliminate a total of over $1.6 billion for fiscal year 1995 education funding.

If it passes, it will be a disaster, Mr. Speaker, for hundreds of thousands of students who want to and are qualified to and should be able to go to college. It will be a disaster, Mr. Speaker, for those who want to be in Head Start but will not be able to join. It will be a disaster for our school lunch programs where thousands and thousands and tens of thousands of our students will go to school hungry, will come home hungry because they cannot afford to pay for a lunch, and this Government has a responsibility, indeed an obligation, to be a party to addressing some of these major problems.

Mr. MARTINEZ. Mr. Speaker, after more than 12 years, I have ceased to be amazed at the shortsighted and inconsistent arguments made to position or posture ourselves in order to avoid the repercussions of doing the wrong thing.

On one hand, we are told that America needs a renewal of its basic values.

Well, one of the values instilled in children for as long as I can remember is the benefit of a good education—most of us know from personal experience, or the experience of friends and neighbors, that prior generations—usually from the middle- and low-income families, have always preached that the way to succeed is with a good education.

I guess this was a mistake—apparently education is only for the rich—because the way that some are treating college education opportunities, only the daughters and sons of the rich have any opportunity to attend college—and I mean the really rich.

My kids have done well in their careers and are now just beginning to send their children off to college—and finding that a year of college now costs as much as some homes—$25,000 just for tuition.

My kids were able to earn their tuition through summer jobs and part-time work at the local fast food restaurant—but not any more.

Now you have to have a graduate degree to be able to afford undergraduate tuition.

And the people in charge will now—with their slash and burn budget—only make it more and more difficult for the middle class to ever achieve what their parents found to be the normal possibility of a college education.

What has this country come to?

Twelve years of past policies supporting failed financial institutions and failed military hardware systems and failed trickle-down economic theories has led us from the wealthiest nation in the world to become potentially one of the poorest—with no prospect for recovery unless we stop some of the crazy changes that are taking place.

So, are we going to finally get our fiscal house in order? Balance the budget? Without touching Social Security? And without cutting a dime from defense spending?

Sound familiar?

It should. It is the 1982 Economic Reform Act of 1995.

A massive tax cut for our wealthiest campaign contributors paid for by eliminating the one tax break for the poor working stiff that even George Bush thought was a fantastic idea.

To sacrifice the earned income tax credit—the only possible reason the father of two could even consider taking a job at minimum wage rather than going on welfare—is absolutely ludicrous.

As my friend from Ohio keeps saying—beam me up.

GENERAL LEAVE

Mr. CLAY. Mr. Speaker, I ask unanimous consent that all Members have 5 legislative days within which to revise and extend their remarks on the subject of this special order.

The SPEAKER pro tempore (Mr. CAMP). Is there objection to the request of the gentleman from Missouri?

There was no objection.

THE BUDGET AND THE CONTRACT WITH AMERICA

The SPEAKER pro tempore. Under the Speaker's announced policy of May 12, 1995, the gentleman from California [Mr. CUNNINGHAM] is recognized for 60 minutes as the designee of the majority leader.

Mr. CUNNINGHAM. Mr. Speaker, I should be at a dinner tonight, but I thought it more important to set the record straight. First of all I heard tonight that Social Security was going to be touched. Social Security is not touched, neither in the budget nor in the appropriation or the reconciliation package.

We have heard the rhetoric about the contract and how bad it was. But yet, the American people have embraced the Contract With America. And I have also heard tonight that the tax cuts are only for the wealthy.

Let me state the only way that we can beat rhetoric and/or basic lies is with facts, and I would like to present some of those facts, Mr. Speaker. And I will let you decide what is the truth and what is not.

In our package we gave the family tax credit for each child of $500. Is that for the rich? We have families from all walks of life with children. And the basic argument is do you want those dollars to go to the American people or do you want those dollars to be spent by the Government?

I would also ask you if an IRA for $2,000, that each family can save for their future, tax free, is for the rich? No, it is not.

I would also ask you in our contract we provide an IRA for a spouse, either a mother or a father at home who was not even working. You would be able to set aside $4,000 each year for a child. You can provide for a lot of education after 17 or 18 years on an interest-free loan.

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In our contract, we did away with the marriage penalty, to encourage families to come together, that if you filed jointly, that you have a tax incentive. We encourage that. For too many years we have penalized for people becoming families and filing that way.

In the Clinton tax-and-spend package in the early 1990's, he increased the Social Security tax on senior citizens. We have done away with that Social Security tax.

Capital gains reduction, Jack Kemp in the Wall Street Journal and the Union Tribune talks about retirement accounts, and that each American, whether you have a car or sell a home or what, that is real income and that is called capital gains. We took the fees and the items in which someone retires, $60,000 to $750,000, and everything that you own that you can pass on to your children, and yet the Clinton Democrats wanted to take that from 600 to 200,000 and then tax you at a very high rate. That is a redistribution of the wealth, Mr. Speaker.

The leadership's reply, the liberal leadership's reply, is an attempt to ignite an ugly class warfare system, and I repeat the facts, a $500 child break an IRA in which you can save for the future tax free, an IRA for a spouse at home tax free, savings, marriage penalty, reduction of Social Security tax. Those are not taxes for the rich.

Seventy-eight percent of the Contract With America's tax package goes to those that earn $75,000 or less. That is not the rich, Mr. Speaker.

Mr. Speaker, only 33 House Republicans voted for the George Bush tax increase. Not a single Republican, voted for the Clinton tax-and-spend package. As a matter of fact, it was so bad that they had to twist arms for 45 minutes and pass it by one vote when they were in the majority, and we only had 218 Members.

I look at what they have left us. Look at where each child today will owe $187,000 in tax liability. That is not a future that I want to leave to my children. We used to build a farm and pass it on to our children. Today, we are selling that farm and giving our children a mortgage.

I look at what the President said when he was going to have a $500 billion deficit reduction package. It was rhetoric. If you read in the recent Wall Street Journal, there was none, and President Clinton and the promise that he would reduce the deficit each year, in the budget that he just gave us before Congress, that budget increases the deficit by $300 billion a year. That is wrong, and that is for each of the next 5 years.

We take a look at the status of this country, Medicare is starting to go bankrupt this year. His own trustees' report of the Medicare account, Alice Rivlin, special adviser in the budget to the President, has started that Medicare will go bankrupt, and yet the other side of the aisle and the President are not engaging that issue, because there is a 1996 election.

The American people, Mr. Speaker, expect leadership. They want the President to take on and save Medicare. They want him to balance the budget, and they want welfare reform. But yet because of the 1996 election, there is no leadership. America is looking for that leadership, Mr. Speaker.

Look at each child born in 1995 again; $187,000? Do you want to leave that? We are spending nearly $1 billion a day on just the interest of the debt. What could we do in this country with $365 billion a year? Think about the other side of the aisle when they said we are hurting children. We can do a lot in education and law enforcement and the real things that we need to do with $365 billion a year. That again is just the interest, just the interest, and that interest is not going into U.S. banks, Mr. Speaker. It is going into foreign countries that hold those notes and receive American interest. That is wrong Mr. Speaker.

I look in just a few years ago, take a person that earns $20,000 a year. Let us say during the year they intend $25,000, and they have only made $20,000. Well, if they do not pay off the $5,000, they will have to pay the interest on that $5,000, and if they do not pay it the following year and they also increase sending to maybe $30,000 or $35,000 or $40,000, then they have to pay the interest on that. In just a few short years, they will owe $100,000, and they only make $25,000. That is the status of our Government, and that is the status quo of the liberal leadership and class warfare, and that is why our contract and the tax package is important, Mr. Speaker.

They talk about cruelty to education. Today because of the Federal Washington Bureaucracy, we only get 23 cents out of every dollar into the classroom. We had the superintendent of schools for DC schools clamoring because he has got 40-year-old classrooms. They want fiber-optics. They want computers in the classrooms. But where are the dollars going? What is cruel is this organization, this bureaucracy, is eating up all of the dollars. We want to block grant it and focus the money down to where we need it in the classroom. We need fiber-optics in classrooms. We need those televisions. But they are going to the Washington bureaucrats.

Mr. Speaker, the American people told me first when I was elected reduce