have an obligation to take the first giant step toward balancing this massive Federal budget and bringing this debt into line.

□ 2200

I think we owe it to ourselves, we owe it to our fellow citizens, but most importantly I think we owe it to our children and grandchildren. I think it is time for a little common sense here in Washington. I think it is time for us to begin the process of living up to our obligation, and I think it is time for us to balance the budget. I think the American people are way out in front of us, I think they expect no less, and I think tomorrow we will make good on that pledge and we will begin that process.

THE BUDGET VERSUS OUR SENIORS

The SPEAKER pro tempore (Mr. FOX of Pennsylvania). Under the Speaker's announced policy of May 12, 1995, the gentleman from Michigan [Mr. BONIOR] is recognized for 60 minutes as the designee of the minority leader.

Mr. BONIOR. Mr. Speaker, I am delighted to be joined this evening by some very good friends, and we are going to talk about this budget, and we are going to talk about the Medicare system. I am joined by the gentlewoman from California [Ms. PELOSI], the gentlewoman from Connecticut [Ms. DELAURO], and the gentleman from Vermont [Mr. SANDERS].

Mr. Speaker, let me just answer—I want to answer my friends from the other side of the aisle when they were speaking, and I have the opportunity to do so now. They talked about the issue of the Medicare trust fund and about its bankruptcy. It should be duly noted that less than 2 months ago, on this very floor, every single Republican voted for a tax bill that took $87 billion out of that same Medicare trust fund in order to pay, in order to pay, for a tax break for the wealthiest people in our society, and that is what happened.

Now it is rather disturbing to hear them say that they are going to fix this. They were not for the Medicare program in 1965. They have not been for fixing it or doing anything about it since. In fact, the gentleman from Texas [Mr. ARMEY] and the gentleman from Georgia [Mr. GINGRICH], their leaders, have said repeatedly on occasions, recent occasions, that they wanted to change the nature of the system, and, by golly, they certainly are.

Let me, if I could, switch gears a little bit and talk about the people who are affected here.

Mr. Speaker, it was 50 years ago this week that America defeated Nazi Germany in World War II, and all over American and all over Europe we celebrated that day by remembering the brave men and women on both the battlefront and on the home front who led this country to victory.

As my colleagues know, looking at pictures of our parents and grandparents taken back then, they were so young, and they were so full of life, it is hard to believe that they would ever grow old. But they have.

The generation that beat Hitler, that built our economy, that raised our families, are now America's senior citizens, and today many of them are living on fixed incomes. Their Social Security check is the only thing that many older Americans have each month to pay their rent, to pay their heating bill, to pay for their food, and medicine and their doctor bills. For most of them it is not easy. They have to struggle to make ends meet.

But today, instead of trying to make it a little easier for them, to help them through a very difficult time in their life, the Republicans in the Congress are trying to make living very hard for them.

Mr. Speaker, as I said a little earlier, this comes down to one very, very basic and simple question: ''Do you think we should cut Medicare, Medicaid, and Social Security in order to pay for tax cuts for the very privileged few?'' In the next few days we are going to see a lot of charts and numbers on this floor, and we saw them today, but this debate is not just about numbers. It is about people, it is about people, people like this lady right here, Margaret Lesley, who I have a picture of.

Margaret is a proud senior citizen and a dear friend of mine who lives in my district. Fifty-one years ago she was known to her friends as Maggie the Riveter, and she was young, she answered the call of this country. She helped build the B–29's that helped the Allies win the Second World War.

Like most of her generation, Mr. Speaker, today Margaret lives on Social Security. After paying for her rent, and her medicine, and her Medicare premium, and her medigap premium, she is left at the end of the month with $130, and with that she has to pay for her food, her heat, the bills that she has, or perhaps some little extra that she desires, and she struggles mightily to make ends meet.

But instead of trying to make Margaret's life a little easier, this Republican budget is going to make it a heck of a lot harder. The budget before us today will take $240 out of Maragaret's Social Security check, and over the next 7 years it will take $3,500 out of her pocket to pay for Medicare, and then the last year that money will amount to over a thousand dollars.

Now they are not doing that to balance the budget or to cut the deficit. The Republicans are cutting Medicare for Margaret for one reason and one reason only, and that is to pay for tax breaks for the wealthiest people in our society and the wealthiest corporations in America.

Now something they did not show you on the other side of the aisle, but I will. It is a piece that was in the Wall Street Journal after we passed the tax bill. The Wall Street Journal said, and I quote, ''The tax bill could mean a windfall for the well off,'' and then it goes on. ''It could turn out to be the biggest tax savings bonanza in years for upper-income Americans.'' Boy, you bet it could turn out to be the biggest income savings because indeed that is exactly what is happening. And if you are a wealthy corporation, you do not have to pay any taxes at all.

The last time the Republicans were in power, in the early 1980's, if you looked at the 250 largest corporations in America, 130 of them paid no taxes for at least 1 year; in the early 1980's, no taxes at all. It was such an outrage that the people in this Chamber, Republicans and Democrats, even President Reagan, decided we would change it we would change it so they pay at least a minimum, and it became law. And now in the bill that we passed less than 2 months ago the Republicans have repealed the law, and now major corporations all over this country, the largest ones, will get away without paying any taxes at all, and you know who is going to have to pick up the rest.

Now did the Republicans target the 200 billion we dole out in corporate tax breaks ever year? We dole out over $200 billion in tax loopholes to the largest corporations in America. You want examples? A 4.3 billion every year in agricultural irrigation subsidies to the largest corporate farmers in America; 1.2 billion a year in mining subsidies to the mining companies for royalties on public lands. And it is endless. Do they do anything about that? No, they did not touch it, did not touch it. The gentleman from Texas [Mr. ARCHER], the chairman of the Committee on Ways and Means, would not have anything to do with it.

Now did the Republicans target the billionaires who give up their U.S. citizenship in order to avoid paying taxes? I know that sounds like who would do that? We have people who have done it, who have avoided paying taxes by giving up their U.S. citizenships, and they are very wealthy people, and the drain on the Treasury for those people over 10 years is about $3.6 billion I ask, ''Can you imagine giving up your citizenship in order to avoid paying taxes?''

The country in which Margaret and others defended, these businesses, with the hard work of men and women in this country, provided for these millionaires and billionaires, and all of a sudden they do not want to make their fair share.

The Republicans could have gotten rid of that, and they said no. They argued and protected these people, except for five of them. Five Republicans said this is outrageous. The rest, 225 of them, stood up and said, ''we're for you. No, indeed we will not touch your tax break.'' Instead they are targeting senior citizens like Margaret.

And just do not take my word for it. The New York Times revealed the contents of a secret memo that the Republicans circulated, and in that memo, under the Republican plan Medicare

deductibles will double, premiums will go up to 50 percent, copayments will increase, care will be rationed, and the choice of doctors will be limited.

We just heard the gentleman from the Republican side of the aisle a few minutes ago talking about changing the Medicare system. What he was alluding to was this memo; what he was alluding to is, if you want to keep your own doctor that you have confidence in, it is going to probably cost you an extra $2,000 to $3,000 a year because you are going to have to pay an extra premium above the extra premium that they are going to charge you for that privilege.

Now, Mr. Speaker, my colleagues, this is not going to just affect senior citizens. How is the average working family going to pay for the cost of caring for their parents and grandparents? And I would tell my colleagues, ''Don't come to the floor and tell us you're trying to save the Medicare system. As Margaret Lesley says, Republicans haven't cared about Medicare for 30 years, and we're not about to believe you now, and she was absolutely right, absolutely right.''

I should tell Margaret the other bad news here and all the seniors in America. It is that there is a cut in your Social Security in their budget. Yes, it is going to cost Margaret hundreds, if not thousands, of dollars by the end of the decade because of what they will do to her cost of living.

Mr. Speaker, this debate is not just about numbers. It is about basic dignity. People like Margaret Lesley stood by this country in time of peace, and they stood by it in time of war, and it is important for us to stand by them today. That is a sacred promise that we made to Medicare, and it is time that we lived up to the promise. But this budget has broken that promise, and at the end of the day senior citizens and working families throughout this country will be asking one basic question, one question: Why are Republicans cutting Medicare, and cutting Medicaid, and cutting Social Security in order to give a tax break to the wealthiest people in our society?

We are talking about 1.1 million people in the United States that will be getting a $20,000 tax cut. These are people who make over $230,000 a year. That is the amount of money basically that the tax cut provides for these people that they are using to cut Medicare.

That is what this is all about, this debate. It is the shifting of the wealth of the country away from our seniors, away from middle working class families and shifting it all the way up to the top.

I say to my colleagues, people wonder why can't I make it? Since 1979, since 1979, 98 percent of all income growth in the U.S. has gone to the top 20 percent of the people. Ninety-eight percent; that means 80 percent are standing still or they are going down in their purchasing power. This budget assaults that proposition is a way that I haven't seen in my years in public life, and it seems to me that, as Members of this body who care about this program, and care about our elderly people, and care about people like Margaret who went on line when the country called in the 1940's, that it is time for us to stand up for them today.

Mr. Speaker, I would be delighted to engage my friends and colleagues and get their views on this. I know the gentlewoman from California [Ms. PELOSI] has also a similar experience, and I would yield to her for any comments she might have now.

□ 2215

Ms. PELOSI. I thank the gentleman for yielding and for his very important statement on what this budget debate is about. I think it is important to return to your point about the cut in Social Security, because while the cuts in Medicare are clear and obvious, it is also important for seniors to understand that with the increased copayment that they are going to have to pay and other out-of-pocket expenses, their Social Security benefits and any cost of living adjustment in their Social Security benefits will be eaten up by the increase in the Medicare out-of-pocket they will have to pay.

As you know, Mr. Whip, the Urban Institute projects that about 21 percent of seniors' income is spent on health care.

Mr. BONIOR. The highest of any group, as I understand it.

Mr. PELOSI. In our State of California, it is even higher. That is hard to believe, but it is. So seniors living on fixed incomes, with this being a big part of their budget and the highest of any Americans, what they have to pay for health care, the very idea that someone can say we are not touching Social Security, it is just like saying I am not going to touch your food budget, I am just going to double your rent. Where do you end up at the end of the day?

I think the point that you make about the impact on Social Security and the disposable income that seniors would have is a very important one for our seniors to know. Not only is this an attack on Medicare, but it is a backdoor attack on Social Security.

Mr. BONIOR. And they promised us they were not going to touch Social Security. They promised us that. Here they are on the floor attacking Social Security, attacking the COLAs of people who depend upon it. These are people who need medicine, who cannot get medicine because we do not have a prescription drug program in this country, who need long-term care and home health care, and we cannot get a decent proposal to add on to the Medicare system to deal with those particular problems.

They were successful, I regret to say, in deep-sixing some of the decent proposals we had for elderly with regard to providing them with prescription drug care, so they do not have to make the terrible choice between the medicine they need or the food or heat they need in their homes. They were responsible for making the terrible choice that these folks have now with regard to their long-term care and their home health care, that choice put before them, either that or not providing for their relatives, by killing basically health care last year.

Now they are back at it again. After the election they are here. Not only have they taken an assault on the seniors of this country by deep-sixing any health care reform, now they come here and they want to go after not only Medicare, but, as the gentlewoman from California states, Social Security.

I yield to my friend from Connecticut.

Ms. DELAURO. I think your point at the outset of your remarks bears repeating, which is that these are folks who for the last several days have been talking about saving the Medicare system, when they have not really cared much about the Medicare system at all. Just a few weeks ago, as you pointed out, they took $87 billion out of the trust fund over a 10-year period of time, without blinking an eye. They did not want to debate it, did not talk about it.

This was their crown jewel, their whole tax cut and their tax break plan. And now they are here trying to pull another fast one on the American public. And I think that they worked hard today on this floor to hoodwink the American people, and people that I represent, and they are here in this photograph with us tonight on this floor and here earlier today, Julius and Dottie, who are people who have served this Nation, and our Republican colleagues are trying to fool these folks into thinking they are not cutting their Medicare payments, and then backdoor them with their Social Security payments.

The fact is, the facts just speak for themselves. The article that you referred to, and they do not want to admit it, our Republican colleagues do not want to admit it, from the New York Times, which says they there are confidential documents from the House Committee on the Budget tht show that the Republicans are recommending changes that would increase the deductibles, that would increase premiums. The deductible increase would go from $100 to $150 in 1996, and more every single year after that, because that would rise with inflation. But what they do not want to do is to have the benefits rise with inflation. They refuse to do that, but the costs will rise with inflation.

Mr. BONIOR. How about the premiums? What are the premium rates?

Ms. DELAURO. The premiums will go up nearly double. They will go to $84 in the year 2002, and that means seniors will pay $456 more a year than they do today. It is really incredible. In Connecticut, in my state, you will see that

the enrollees, Medicare enrollees, will pay an additional $1,167 every year, and, over 7 years, $3,800. They also put on, and I would just ask my colleagues to comment on this, a 20 percent sick tax on home health care and on laboratory tests. I do not know about you, but lots of the seniors that I know go for substantial laboratory tests. Certainly the Ruskins do. Julian and Dottie go for lots of laboratory tests. Imagine what that means in terms of having to have a 20 percent tax put on them for those tests.

The other point that our colleagues do not want to mention is the whole issue of choice and choice of doctors.

Mr. BONIOR. That is a big, big issue. I mean, how many of us here have relatives and parents who really depend upon a certain doctor for their services. And under this plan that the Republicans have, they are moving people into health maintenance organizations, managed care, HMO's, where you will not have a choice. And they may preserve a choice in the bill, but you are going to have to pay an extra, and I forgot what the memo said, but I think it is a substantial amount of money. We are talking an additional $1 or $2 thousand just in order to have that choice, I think.

So it really stretches what in fact these folks can indeed bear.

I yield to my friend from Vermont to join in on this, if he cares to.

Mr. SANDERS. Thank you very much. I did not bring any photographs of Vermonters with me, but I can tell you that I have attended many meetings at senior citizen centers throughout the State of Vermont, and I can tell you right now, and many people who are not senior citizens do not understand, oh, if somebody has Medicare, they have everything they need. No problem. They are fully covered. But you understand that with Medicare, people are paying sizeable premiums. Often they have to take out what is called Medigap insurance in addition to that. And despite that, Medicare does not cover prescription drugs.

So right now in the State of Vermont, many, many people say, ''I have to make a choice between heating my home in the wintertime, it gets very cold in Vermont in the wintertime, or coming up with the money to pay my prescription drugs.''

Now what will happen to those people if they are forced to pay larger premiums or more out-of-pocket expenses? God only knows, but it will certainly be a very terrible day for them.

I think the main point that I would like to make in this discussion, and you have already made the point, is that we all recognize that this country has a serious deficit and a serious national debt. Our Republican friends have not told us, however, how giving huge tax breaks to the wealthiest people in this country is going to move us forward toward balancing the budget.

What we are talking about is a tax bill in which half of the tax breaks go to people making $100,000 a year or more. Further, 25 percent of the tax breaks go to people making $200,000 a year or more, and the wealthiest 1 percent get more in tax breaks than the bottom 60 percent.

Mr. BONIOR. That is a staggering statistic. I think it bears repeating again, the last one.

Mr. SANDERS. Let's repeat it again. At a time when the rich are getting richer, when the middle class is shrinking, and poverty is increasing, the wealthiest 1 percent get more in tax breaks than do the bottom 60 percent.

There is another point that needs to be made, and I do not think it was covered very well this afternoon. And that is we should ask ourselves how did we get into the position of having a $4.7 trillion national debt? How did it happen? I think everybody in this room understands that in the 1980's the national debt took off. It went from $1 trillion to over $4 trillion.

What our friends in the Republican Party forgot to mention is that between 1981 and 1992, the wealthiest 1 percent of the population received $1.5 trillion in tax breaks. Let me say it again. Between 1981 and 1992, the wealthiest 1 percent of the population received $1.5 trillion in tax breaks. Between those tax breaks, between increased military spending, the country in fact ran up a large national debt.

It seems to me that the way you solve the problem is not to give more tax breaks to the people who are primarily responsible for causing the national debt in the first place, and it seems to me to be grossly unfair to be going after the working people and the low income people whose incomes have significantly declined over the last 18 years. So this continues the Robin Hood proposal in reverse. We take from working people and low income people and we give to the rich. I think that is the essence of what this proposal is about.

Ms. PELOSI. If the gentleman will yield on that point, it is very interesting to hear this debate, because as you say, it is very familiar. Increase defense spending, give tax breaks to the wealthiest Americans, and the benefits will trickle down. And here we are again, as Yogi Berra would say, it is deja vu all over again. What is interesting about it, and it is a real tribute to President Clinton, is this is the first year, the 1995 fiscal year budget we are in now, is the first time since the 1960's that we have a budget that has an operating surplus. President Clinton has saved $50 billion.

In other words, the revenues coming in are $50 billion more than what is being spent by the Federal Government, except we have to pay for the trickle-down economics of the eighties, a $240 to $250 billion interest on the national debt. So we consequently have a $190 to $200 billion deficit this year.

But President Clinton is the first President since the sixties to have a budget that takes in more money than it spends except for that interest. I think that is important to note, because our colleagues on the other side of the aisle in the Republican majority keep saying what is President Clinton doing. President Clinton is moving toward reducing the national deficit and the national debt.

Mr. BONIOR. When the President took office, the annual deficit was about $360 billion. After we passed our budget bill during the first term, the historic vote we had on this floor, that debt, annual debt, has been decreasing to the point of $165 billion. That is a $200 billion difference. We are on a glide path to getting there. But you cannot give tax breaks to the wealthiest people in our society, and ask people like Margaret and people from Connecticut and the lovely lady that you have next to you there.

Ms. PELOSI. Enola Maxwell.

Mr. BONIOR. From San Francisco. Why do not you tell us about her.

□ 2230

Ms. PELOSI. I talked earlier about her on the floor debate. This is Enola Maxwell. She is 75 years old. For 20 years she has been the executive director of the Petrillo Hill, serving meals to senior citizens, meeting the needs of inner city youths and helping with community services in that way.

Enola had a heart attack recently, and I read her statement earlier about what a comfort Medicare was in every possible way, the confidence that her benefits would be there.

She asked the question: ''Why would the Republicans want to give a tax break to the wealthiest Americans and America's corporations, and have that tax break be paid for by reducing the Medicare benefits to America's senior citizens? That is breaking a promise to America's citizens.''

Further to that point, I think it is important to focus on what it is they are proposing. In their restructuring options, they are talking about restructuring the traditional fee-for-service plan. The option lists 35 recommendations, which include increasing beneficiaries' out of pocket expenses, copayments, premiums, deductibles, and cutting payments to providers, hospitals, and doctors.

It is interesting on that point, because their own Members, the gentleman from Kentucky, JIM BUNNING on the Committee on Ways and Means, has said ''Of course I think everybody, if they tell the truth, realizes we cannot keep cutting the reimbursement for doctors and hospitals without destroying the quality of health care. The savings aren't real anyway. The costs are just shifted out of the Government's budget into the private sector.''

Then, in addition to that, their other options include ''replace the current benefits with a voucher.'' Listen to this one. ''Instead of receiving approved services, as needed, seniors would receive a fixed voucher amount to purchase their health insurance. Federal

costs are limited by the amount of the voucher, although a catastrophic cap of $10,000 per beneficiary is recommended.'' Imagine that.

Mr. BONIOR. You can eat $10,000 up in a very, very short time.

Ms. PELOSI. Anyone who has been to the hospital knows that. Then they say ''expand managed care options currently available. Increase beneficiaries' out of pocket.'' Increasing beneficiaries out of pocket is in every option, so people have to know that.

''In nonmanaged care settings, limit providers' benefits and enforce spending limits.'' AARP has said that seniors are being asked to: ''Seniors are being asked to pay a 50 percent increase in Medicare part B.'' That was not AARP. AARP was saying that the Republican budget will mean an increase of $3,000 over the next 7 years for a Medicare beneficiary, $3,000 over the next 7 years. Where are these people going to get it, and why? To give a tax break to the corporations and the wealthiest Americans.

Mr. BONIOR. I yield to the gentlewoman from Connecticut [Ms. DELAURO].

Ms. DELAURO. That is what I find so disingenuous about the arguments the Republicans have made all day today on the floor of the House. They talk about that there is—they talk about Medicare increasing, and that these out of pocket costs we are making up. Their plan does not keep up with inflation. It does not allow for increased enrollment in the program.

It is a very similar argument, if you will recall, that they made on the school lunch issue, where they said that they were going up 4½ percent, but in fact the program increases 6½ percent, so, by just very basic subtraction, you have a 2-percent shortfall.

It is their same argument here, but what in fact it is, and it is the height of hypocrisy, to claim that they are not making the cut. We have all listened to them on the floor of this House. They have argued over and over again, and you mentioned, my colleague, the gentlewoman from California, mentioned the defense budget. They have talked about the defense budget over and over again, that it is being cut, when you treat defense in the same way, in the very, very same way.

When the defense budget goes up, but not enough to keep up with the cost of a weapons system, the Republicans call it ''a cut,'' over and over and over again. That is why they have called for an increase in this budget for defense. When the defense budget goes up, but not enough to maintain the same troop levels that we have, the Republicans call it a cut. Why is it that now, in this debate, when Medicare spending does not keep up with inflation, and it does not keep up with the health care costs, or the increase in enrollment, do they say this is not a cut? It is hypocrisy and it is disingenuous, and we have to keep getting this message out to the American public.

Mr. BONIOR. Because these people are not their constituencies.

Ms. DELAURO. That is right.

Mr. SANDERS. We have touched on the fact that these cuts will be devastating for Medicare recipients, they will be devastating for Medicaid recipients, they will be devastating for Social Security recipients.

Let us also mention, especially those of us from the cold weather States, that they propose to eliminate, cut completely, the fuel assistance program, LIHEAP, of which 40 percent of the recipients of senior citizens. That means in the State of Vermont or in the State of Michigan, when the weather gets pretty cold and we have low-income senior citizens who need help to pay their fuel bills, it is gone. What happens to those people?

We should also point out that such wonderful programs as RSVP are eliminated. The Foster Grandparent Program is eliminated. Also, we should understand that at a time when everybody in America understands that this Nation needs to be competitive in the global market, that we need to have the best educated work force in the world, major, major cuts in education.

What a stupid approach, cutting your nose off to spite your face. Among other things, what this Republican proposal does is cut student loans by $33 billion. In the State of Vermont right now we have thousands of families, and I have had hearings on this, people are working 50 or 60 hours a week to send their kids to college. The cost of college is going off the wall.

If we cut back on those student loans, there will be hundreds of thousands of young people all over America who will never have the opportunity to go to college. To do this in order to give tax breaks to the wealthiest people in America is very wrong.

Mr. BONIOR. Just on the student loan point, because I do not want to leave that without, I think, adding my own concerns here, all of us, I think, the gentlewoman from California [Ms. PELOSI], the gentlewoman from Connecticut [Ms. DELAURO], and myself, we have had hearings and forums in our districts where we have brought students in to talk to them. You are absolutely right, they being stretched because of the higher cost of tuition and housing. Fewer and fewer are going to college today because of that.

Along come the Republicans, and what do they want to do? They want to cut out student loan programs in this country. Basically, what they are basically doing away with is the interest subsidy program that we have, that if you take student loan out, you do not have to pay back until 6 months after you graduate. You do not have to pay on the interest. They are saying you have to start paying from the moment you take the loan out, and what that does is it adds to the debt load of these people, and it will cost them an additional, in my State, over $4,000 a year, and in some States over $5,000—excuse me, not a year, $4,000 over the value of the loan, $4,000 extra dollars. That is going to discourage literally millions of kids from going on.

Ms. PELOSI. If the gentleman will yield on that point, Ms. Maxwell works with inner city youth, that is just on this point, and some of us got together, Ms. DELAURO, the women Members of Congress, and we had a press conference last week right before Mother's Day on this very point, Medicare and student loans, saying that his was the anti-family Mother's Day gift of the Republicans to America's mothers, because if you are in your forties and fifties, and many of us in this body are, and many of the people in America are, you are worried about the health of your parents and you are worried about the education of your children, so these two issues are such anti-family initiatives on the part of Republicans, sandwiching in——

Mr. BONIOR. Squeezing people.

Ms. PELOSI. Squeezing middle-aged and middle-income people who certainly want their children to be interested, and now they cannot get the deferred interest, so it makes their options less desirable, and at the same time, being worried about trying to help their parents meet their health care needs. The whole thing is anti-family. That is what is so tragic about it all, because the Medicare issue is not about seniors only, it is about the whole family.

Mr. SANDERS. If the gentleman will yield, when we are talking about education, we are not just talking about student loans. Let us be clear about that. We are talking about massive cutbacks in virtually every Federal educational program: Goals 2000, the trio program, Title I, school-to-work, student incentive grants, Head Start. Is there any debate that Head Start has been enormously successful in allowing low-income kids to do better in school, to stay in school, to get a shot at life?

Mr. BONIOR. No debate at all, none at all. It has been hailed for its value.

Mr. SANDERS. Major cuts there, and cuts in the safe- and drug-free schools. Here you have schools all over America and in the State of Vermont working extremely hard to keep kids off of drugs, to keep kids in schools. These programs are working. They are going to be cut. What a wonderful idea to give up on these kids, let them turn to drugs, and then we spend tens of thousands of dollars keeping them in jail.

Mr. BONIOR. They are doing all of this, school-to-work, drug-free schools, student loans, and all the other programs that you talked about, Goals 2000, and they are doing that, they are cutting these programs, in order to give a tax cut to the wealthiest people in America, a tax break to those people who are making incredible amounts of money. We are talking about $200,000 a year.

Mr. SANDERS. If the gentleman will yield, here is another cut, and it really refers to his original statement, where

he talked about a woman who, during World War II, worked in the assembly lines in order to defeat Hitler.

During World War II we had millions of men and women who not only worked in the assembly lines, they were fighting all over the world against fascism. This budget makes significant cuts in veterans' programs. The bill passed by the House Committee on the Budget would, over a 7-year period, reduce veterans' programs by $8.3 billion. The Senate Committee on the Budget, in fact, would reduce veterans' benefits by $15.1 billion.

Among other cuts would be an increase in the prescription drug copayment from $2 to $8. The House bill would also reduce the COLA on veterans' compensation. It would also eliminate the Veterans' Employment Program under the Job Partnership Training Act; the disabled outreach program. Boy, we are getting really tough.

Mr. BONIOR. The real tragedy of all this is that people are probably saying ''We have to get control over this deficit. What are you going to do?'' The problem is, they are doing this in order to provide tax cuts for the wealthiest people in our society, and they do not touch any of the corporate welfare.

There is over $225 billion worth of corporate welfare in our Federal budget. They leave it alone. They leave it alone. They do not touch it. Instead, they go after veterans, they go after education programs, they go after Margaret's Social Security and her Medicare.

Ms. DELAURO. We are talking about veterans and Medicare and veterans' programs, and I just want to make reference, I have talked about Julius and Dorothy Ruskin from West Haven, Connecticut, earlier today. I think what we are all doing when we talk about the people who are our constituents, and people who are our friends, as well, people that we know—these people are not just names, they are folks that we know—that they exemplify what is at stake in the whole debate here.

Let me just say that these are two wonderful people, Julius and Dottie. They have given a lifetime of service to this country. Just on the veterans' issue, and I say this to my colleague from Vermont, Julius was an anti-aircraft gunner on Iwo Jima during World War II. He received the Bronze Star for his service.

These two wonderful people met each other in New Haven shortly after he came back from the war, and then they were married 5 months later. Dottie worked as a bookkeeper all of her life. Julius worked for 26 years in the Pirelli and the Armstrong Tire Company; once again, wherever it was needed in our Nation's service to deal with that industry.

I will tell you what Julius has said, and I quote him, ''These are not the golden years.'' They are dealing with taking Medicare, Social Security, veterans' benefits from these folks. It is unfair. These should be the golden years for Maggie and for Enola and for the Ruskins, but that is not the case.

I worry about, and I know that my colleagues here worry about that. Retirement today is often not golden at all. I think I remember my mother saying one time, she is 81 years old and relies on Social Security and on Medicare, that ''These are not the golden years but the lead years,'' and I think this is what our colleagues on the other side of the aisle have tried to do to folks that we represent here tonight.

Mr. BONIOR. The argument they are making is, they are doing it for their kids and grandkids so we can get this budget deficit in order. What they do not tell you is, they are doing it for the wealthiest people in our society, giving them a tax break. They are doing it for the largest corporations and multinational corporations by making sure they do not pay taxes. They are doing it for large corporations by making sure they do not touch any of the tax loopholes or tax expenditures that are out there for them.

The thing that I think drives me to despair more than anything else is the fact, as my friend, the gentleman from Vermont, has just said, they have cut out—they have cut their nose off in front of themselves in terms of what is good for the country. It is the investment in our kids and in their education. It is the best thing we have done.

When Margaret and her peers and Julius and his peers came home from that war, this Congress provided them with the G.I. Bill of Rights. It was one of the best investments this Nation has ever seen. People got an education, they grew intellectually and they grew financially as the country grew through the fifties and sixties. Here we are in this budget, cutting back on that opportunity for young people in order to pay for tax cuts for the very wealthiest people and the largest multinational corporations.

□ 2245

Ms. PELOSI. If the gentleman will yield on that last point, because I think the arguments that our colleagues make about children and their futures, of course we are all interested in children, but it would ring a little truer if they were not putting forth a $300 billion tax break for the wealthiest Americans and the corporations. It is exactly the amount of money they have to cut out of Medicare to pay for that, and they had choices.

As you know, there was a debate in their caucus about whether the tax break should go up to $95,000 a year or to $200,000 a year, the tax break, $500 tax break per child, and it went all the way up to $200,000 a year tax break at the same time giving a tax break and cutting education for our children who need a boost.

But in addition to that, and the gentleman referred to this and I want to emphasize it again, the Wall Street Journal the other day said:

> Estimates vary on exactly how much the government gives up in revenue as a result of corporate tax breaks. But most budget experts say it exceeds $200 billion over 5 years. The House Budget Committee went as far as targeting a specific list of $25 billion in tax breaks over 7 years, but the plan collapsed last week after it was denounced by the chairman of the Ways and Means committee.

So, again they had another opportunity to make a little cut, almost a 10- or 11-percent cut in those tax breaks, and they rejected it again, instead choosing to cut benefits rather than tax breaks.

Mr. SANDERS. If the gentleman will yield, the gentlewoman from California points out that at a time when the wealthiest people and the largest corporations receive far more welfare than do the poor in terms of tax breaks and subsidies, when that corporate welfare is well documented they did not have the guts to go after those people, but they do have the guts to go after the children, after the homeless, after the elderly, after the veterans.

There is another area that has not gotten a whole lot of discussion.

Mr. BONIOR. There is a reason for that and I think we should talk about it.

Mr. SANDERS. Let us talk about it.

Mr. BONIOR. Because some of the people that we are talking about here today and some of the kids we are talking about do not have the high-powered lawyers and the lobbyists to represent them. The corporations do, the wealthiest people in this country do.

Special interests have had a dramatic impact on this debate and what is in this budget and if you ever doubted it, just look at the tax breaks and who they go to, just look at how they ignored the tax expenditures and loopholes for the wealthiest corporations in America and in the world, and just see what they did to our veterans, to our seniors, and to our kids.

Ms. DeLAURO. If the gentleman will yield, I think it is worth repeating just how outrageous it was what happened here a month ago with the repealing of the alternate minimum tax. And my colleagues from Michigan mentioned that. That was the tax put in by Ronald Reagan saying to the richest corporations in this Nation you have an obligation to pay taxes to this Nation. No one was complaining about that tax. Everyone felt it was fair and equitable, and the Republicans repealed it.

It is $16.9 billion over the next 5 years, which says that the richest corporations in this Nation have a zero tax obligation to this country, and it is wrong, and that should not happen because they do have the lobbyists and the special interests that represent them in this body today more than they have at any other time in the history of this Nation.

Mr. BONIOR. And they go after a program like School to Work, and the gentleman mentioned it. Most of our kids do not go on to college, they go to high school and they elect to get out in the work world and make a living, as many

as three-quarters of them do. This School to Work Program matches kids in school with the work world and matches the business people who are out there and looking for good employees and puts them in contact with the kids in school, and they develop a bond and a relationship and schedule and work habits and education habits to match what is out in the country. It is a wonderful program modeled after something done in Germany that works very, very well. Everybody is pleased with it, the community I represent is pleased with it, the community college systems are just enthralled with the opportunity to work into that system, and of course the high schools which it affects most are thrilled about the promise this holds. And $60 billion you mentioned for the alternative minimum tax, this is like a drop in the bucket of that amount and they wiped it out.

Mr. SANDERS. If the gentleman will yield, let us recapitulate here: Huge tax breaks for the wealthiest individuals in America, doing away with corporate taxes for some of the largest and most profitable corporations in America, and savage cutbacks for the most vulnerable in this country.

I think unless one is very naive, I think we can understand why these things happen. And they happen for reasons like an event that took place in this city some 3 months ago, and I know my colleagues here remember the event. The Republican Party held a little fund raiser, just a little ordinary dinner that folks came to.

Mr. BONIOR. How much were the tickets?

Mr. SANDERS. I think $1,000 a plate with gratuities included, and they provided an extra cup of coffee for free.

Ms. DELAURO. I believe it was $50,000 a plate.

Mr. SANDERS. That was for another one; that was for the right-wing television network, but this was for poor folks, only $1,000 a plate. And I think at the end of that night they walked away with $11 million.

Now why would the largest corporations in America and the wealthiest people in this country contribute to the party? And they doing it because they believe in the Democratic spirit and they just wanted to get involved? Maybe, but I do not think so. I think that there are very smart people who made an investment. They invested in the Republican Party, and the last several months we have seen why they invested. It is a very good investment to buy a ticket for a thousand bucks at a dinner and find out your corporation does not have to pay anything in taxes, or if you are making $200,000 a year your are going to pay $11,000 less in taxes.

But, interestingly enough, the average working persons did not go to that dinner, and you know what the average working person got? Among many other devastating cuts, the Republican proposal cuts back, eliminates, not cuts back, eliminates unemployment insurance-extended benefits. Many areas all over this country where unemployment is very, very high, we have recessions, things get bad, what the Republicans proposal does is make it impossible for a worker to get unemployement after 13 weeks.

What do you do then? Well, how come they go cut and the rich got tax breaks? Maybe it has something to do that tens of millions of dollars that are now flooding into the Republican Party from some of the wealthiest people in America.

Mr. BONIOR. I thank my colleague.

Ms. PELOSI. I would like to talk about what this means in California in terms of giving these tax breaks to the wealthiest, cutting Medicare benefits to our seniors in California $3.6 million. Medicare beneficiaries will lose in the year 2002 alone, in that year alone $11.8 billion, in that 1 year alone. And between now and then the figure is $37.8 billion over 7 years.

That is devastating. That means they are paying more out of pocket for fewer services. This whole thing is about values. Who do we tax, what do we spend it on? That is the budget debate, and I do not think it is a statement of our country's values, and most people in the country's values to say we would rather give more tax breaks to people who have so much on the backs of our poorest folks.

I want to say something before you yield to Congresswoman DELAURO. She and Congressman DAVID OBEY have been the two champions, and there are others who work with you on protecting LIHEAP funding. ROSA, I do not want to get in ROSA DELAURO's way when somebody goes after LIHEAP. It is important to seniors and people in her State and she has been an incredible champion on that issue.

Ms. DELAURO. We have cold winters in Connecticut; you have them in Michigan and in Vermont.

Mr. BONIOR. We have a wonderful LIHEAP program in Michigan. The utility companies work very hard.

Ms. DELAURO. They do.

Mr. BONIOR. They are pleased with it and it helps literally tens of thousands of low-income seniors who would have no other way to pay their bills.

Ms. DELAURO. I just wanted to make a comment, and this was in the New York Times on May 2, it says let's separate the facts from the political claims and counterclaims.

As a practical matter the Federal budget cannot be balanced the way the Republicans are talking about in 7 years as the Republicans promised without deep cuts in projected spending for Medicare.

They would like to hide this fact, but it is the case.

Cuts of this magnitude would raise the cost of health insurance to millions of retirees or reduce the services available to them. And a quote from Stanley Colender, director, Federal budget policy at Price Waterhouse, an accounting firm that said, ''realistically there is no way to come close to balancing the budget without cutting Medicare, Medicare benefits.'' Our Republican colleagues are trying to hide the fact that they are cutting benefits for tax breaks. No one has suggested that there are not reforms to be made in Medicare, and we can do that. We can deal with the fraud in the system and we can do some other things, but they cut first and reform second.

I tell you, take a look at it and listen to what they are talking about, what has happened to our priorities in this country when the majority in this body is putting the whole issue of the corporate tax interests, those loopholes, those breaks ahead of the care and the health care needs of the people that we have talked about tonight and the people that we represent, people like Julius and Dottie Ruskin. I think that is the basic argument, what the Republicans have done, and they do not want to own up to it.

Mr. BONIOR. Somebody on this floor, I think it was DICK DURBIN who gave an eloquent speech this afternoon and he talked about a constituent who was I believe 72 years old and who gave so much to this country, and his work and his service to this country in time of war, and basically DICK was saying that this is really an American hero, and I think we would all agree this evening the four people we have talked about here specifically are really American heroes. They were there when their country needed them on the homefront as well as the battlefront. They have been pillars of their communities. They are wonderful people, lovely neighbors, and for us to treat them in their twilight years in such a shabby way in this budget I think speaks to what you said, Ms. PELOSI, in our values system. What is our values system? The budget is about our value system that expresses who we are, what we believe in, and what we are willing to stand up and fight for, and we saw today who they are willing to stand and fight for. They have fought for the wealthiest folks in our society at the expense of our veterans, at the expense of these four lovely people and the expense of our many young people who are trying to get an education to make a go of it.

So I thank my colleagues for participating tonight and I yield to them.

Ms. PELOSI. I would like to make one point, because I know the gentleman from Michigan [Mr. BONIOR] has been a leader in fighting for real health care reform in this body. Congresswoman DELAURO said we do have to make some reforms in the Medicare system. That does not mean we lessen the benefits and increase the copayments on the beneficiaries. But we do have to make some change in the delivery and the financing of health care reform. President Clinton had a proposal for real health care reform. We have to have that. That is the way we are going to stop the rising cost of

health care entitlements and the impact on the national budget. We all want to be fiscally responsible, reduce the deficit, have Medicare and quality health care for all Americans. But we cannot do that the way the Republicans are proposing. And we want to keep our people healthy.

And just in closing I want to point out one other cut they are making, billions of dollars in cuts in the National Institutes of Health, where we do the breast cancer research, all kinds of prostate cancer research, AIDS research, you name it, any illness that you can name that has gotten attention: Alzheimer's, Parkinson's disease, the rest of it, so in every way that you would measure the health and well-being of a population, they have undermined and attacked in this.

□ 2300

And I hope the American people will respond appropriately.

I thank the gentleman.

Mr. SANDERS. If the gentleman would yield, I just very briefly say this: Today we heard from our Republican friends that they had a mandate. Let us not forget that in the November elections, 62 percent of the people did not vote, did not vote.

We can turn this around. We can win this fight. We can stop these devastating cuts and this transfer of wealth to the upper-income people. We can do it, but we cannot do it with Members of Congress alone. We are going to need the help of millions and millions of American citizens who are fighting hard to maintain their standard of living.

So if you do not think it is right that we give huge tax breaks to the rich and cut back on a zillion programs that affect the children and the old and working people and students, if you think that is wrong, we are going to need your help.

So let us stand up together and let us fight back. Let us get a little justice in America.

Ms. DELAURO. Just one comment. I was struck today by a letter that I was shown by another Michigander, the gentlewoman from Michigan [Ms. RIVERS] our colleague, and she showed me a letter that she received from a senior citizen in her district about the cuts, and it was a very poignant comment that this individual made.

Lynn showed it to me, and she said, ''Read this.'' And the woman said, ''Maybe I have lived too long.'' An indictment of our values and what this Nation and this country is all about when this woman writes and says, ''Maybe I have lived too long,'' because, ''you are cutting my Medicare, my Social Security,'' and we are providing tax breaks for the richest in this country. It was a sad commentary, and I think one that struck me very hard, and I think says a lot about what this debate is about.

Mr. BONIOR. Let me just end with a little story to follow up what BERNIE just said about getting involved.

I am always reminded of that story about Senator BILL BRADLEY, who was at a dinner one evening. The Senator was eating. The waiter came by and put a pat of butter on the bread plate. The Senator turned to the waiter and said, ''Can I have two pats of butter, please?'' The waiter said, ''Sorry, one pat per person.'' On hearing this, the MC for the evening gets up and walks over to the waiter, and he said, ''Maybe you do not know who this is. This is Senator BILL BRADLEY, NBA basketball star, Rhodes Scholar, maybe future President of the United States.'' The waiter turned to the MC and says, ''Well, maybe you don't know who I am.'' And the MC says, ''Well, in fact, I don't know who you are. Who are you?'' The waiter said, ''I am the guy who controls the butter.''

Well, the point is that everybody controls a piece of the butter, a piece of the action, but you have got to make your voices known, and you have got to speak up and you have got to be clear and articulate and passionate about it, because when you are, then people like Margaret and the wonderful people we have talked about today will have the decent break in our society they were promised.

The SPEAKER pro tempore (Mr. FOX of Pennsylvania). Under the Speaker's announced policy of May 12, 1995, the gentleman from California [Mr. RIGGS] is recognized for 60 minutes.

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

The SPEAKER pro tempore. Under the Speaker's announced policy of May 12, 1995, the gentleman from Louisiana [Mr. FIELDS] is recognized for 60 minutes.

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

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. BONO (at the request of Mr. ARMEY) for today, on account of recovery from surgery.

Mrs. COLLINS of Illinois (at the request of Mr. GEPHARDT) for today, on account of personal business.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Ms. PELOSI) to revise and extend their remarks and include extraneous material:)

Mr. STUPAK, for 5 minutes, today.
Mr. LIPINSKI, for 5 minutes, today.
Ms. KAPTUR, for 5 minutes, today.
Mr. OWENS, for 5 minutes, today.
Mr. DEFAZIO, for 5 minutes, today.
Mr. BECERRA, for 5 minutes, today.
Mr. MONTGOMERY, for 5 minutes, today.

(The following Members (at the request of Mr. SOLOMON) to revise and extend their remarks and include extraneous material:)

Mr. NORWOOD, for 5 minutes, today.
Mr. BROWNBACK, for 5 minutes, today.
Mr. BRYANT of Tennessee, for 5 minutes, today.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

The following Members (at the request of Ms. PELOSI) and to include extraneous matter:

Mr. ACKERMAN.
Mr. STARK in two instances.
Mr. NEAL of Massachusetts.
Mr. COLEMAN.
Mr. JOHNSON of South Dakota.
Mrs. KENNELLY.
Mr. SCHUMER.
Mr. LIPINSKI.
Mr. ROSE.
Mrs. MALONEY in three instances.
Mr. STUPAK.
Ms. WATERS.
Mr. LAFALCE.
Mr. KANJORSKI.
Mr. BISHOP.
Ms. SLAUGHTER.
Mr. BONIOR.
Mr. COLEMAN.
Ms. FURSE.
Ms. VELÁZQUEZ.

(The following Members (at the request of Mr. SOLOMON) and to include extraneous matter:)

Mr. PACKARD.
Mr. MARTINI in two instances.
Mr. MOORHEAD.
Mr. SHAW in two instances.
Mrs. CHENOWETH.
Mr. SCHIFF in two instances.
Mr. SMITH of New Jersey.

ADJOURNMENT

Ms. DELAURO. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 11 o'clock and 2 minutes p.m.), under its previous order, the House adjourned until tomorrow, Thursday, May 18, 1995, at 9 a.m.